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Summary record of the 18th meeting
Held at Headquarters, New York, on Tuesday, 31 March 2015, at 3 p.m.

President: Mr. Drobnjak (Vice-President) ..... (Croatia)

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Achieving sustainable development through employment

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15-05208 (E)

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In the absence of Mr. Sajdik (Austria), Mr. Drobnjak (Croatia), Vice-President, took the Chair.

The meeting was called to order at 3.10 p.m.

Achieving sustainable development through employment

Opening of the segment

1. **The President**, opening the integration segment of the Economic and Social Council, said that despite encouraging levels of economic growth, much of Africa continued to face persistent challenges with regard to underemployment and unemployment, particularly among its burgeoning youth population. The economies of African countries were also characterized by a high incidence of informality and challenges posed by lack of peace and security.

2. *A panel discussion on the topic "At Work in Africa", moderated by Mr. Ismael Abraão Gaspar Martins (Angola), co-Chair, Group of Friends of Decent Work for Sustainable Development, was held. The panellists were Mr. Ebrahim Patel (Minister for Economic Development, South Africa); Mr. Hakim Ben Hammouda (former Minister of Finance, Tunisia and Special Advisor to the President, African Development Bank); Mr. Aeneas Chuma (Assistant Director-General and Regional Director for Africa, International Labour Organization); and Mr. Alioune Sall (Executive Director, African Futures Institute, South Africa). The discussant was Mr. David Mehdi Hamam (Director, Office of the Special Adviser on Africa).*

General debate

3. **Mr. Patel** (South Africa), speaking on behalf of the Group of 77 and China, said that between 1991 and 2007, global employment had grown at an average annual rate of 1.7 per cent. As a result of the global economic crisis, annual growth had slowed to 1.2 per cent between 2007 and 2014. In 2014, there had been approximately 201 million people unemployed worldwide. About 277 million jobs would have to be created over the coming five years to compensate for the crisis and account for growth in the labour force. The share of jobs in the agricultural sector in developing countries had fallen from 53 per cent in 1991 to 35 per cent in 2013, which was cause for concern. In the least developed countries, about 60 per cent of total employment was still in agriculture. In the lower-middle-income countries, that figure was 42 per cent, and in emerging economies, it was 20 per cent. Youth unemployment rates had reached 13 per cent in 2014, almost three times higher than the unemployment rate for adults. Given that young people represented nearly a quarter of the global population, employment creation for them was critical to economic growth and sustainable development. Africa, with over 200 million people between the ages of 15 and 24, had the highest concentration of young people on the planet, and thus required particular attention.

4. Almost half of the world's employed population was still working in vulnerable conditions, largely in South Asia and sub-Saharan Africa. They were primarily women, who faced tremendous obstacles in accessing basic necessities and decent work. While real wage growth in 2013 had reached 6 per cent in Asia and nearly 6 per cent in Eastern Europe and Central Asia, it had amounted to less than 1 per cent in Latin America and the Caribbean and on the African continent.

5. Slow employment and wage growth had contributed to a long-term decline in the labour-income chain in most countries. In developing countries, the middle class accounted for about 34 per cent of total employment. In the advanced economies, almost 25 per cent of total income had gone to the wealthiest 10 per cent in 2011. To attain equitable and balanced development, such vast disparities must be addressed. Coordinated international efforts to develop new thinking and appropriate strategies would be required for inclusive economic growth and job creation. Governments must be afforded policy space to face domestic challenges based on their own realities. Development must not be imposed, but must be in line with domestic economic strategies and the objectives of Member States. Developed countries must fulfil their official development assistance (ODA) commitments to developing countries and provide genuine debt relief to the least developed countries.

6. Development goals could not be credible unless the need for urgent reform of global financial and economic governance structures was recognized. The Group of 77 and China called, therefore, for implementation of the 2010 International Monetary Fund (IMF) governance and quota reform. IMF must be well resourced to respond to members facing financial and economic crises. Failure to implement the agreed reforms was compromising the ability of IMF

to access the necessary resources to perform that critical function. The Group of 77 and China looked forward to a more comprehensive reform process for the international financial institutions. In building a more equitable enabling environment for development, it was necessary to move away from a model based on profitability, placing emphasis on productivity rather than on the interests of the speculative market economy.

7. The United Nations was a unique universal forum for promoting development in the context of globalization, especially the integration of developing countries into the globalizing economy, to enable them to take advantage of their full potential for economic growth and development. The United Nations must therefore play a fundamental role in promoting and strengthening international cooperation and coherence, coordination and implementation of internationally agreed goals, including the unmet Millennium Development Goals (MDGs) and the outcome of the post-2015 development agenda. The Group believed that the United Nations must spearhead global efforts to assist States in achieving sustainable development through employment creation and decent work for all, through its platforms and universal coverage. To that end, South-South cooperation should be strengthened, even as North-South cooperation remained the primary means of opening up development bottlenecks. All stakeholders were urged to work together in creating synergies to provide decent work that would benefit the entire global workforce and give hope to those who had given up looking for work. That would help millions worldwide to emerge from poverty and join the mainstream economy, as opposed to being left on the periphery of development.

8. **Mr. Wallin** (Finland) said that his country saw the International Labour Organization (ILO) as one of the most important global development organizations and attached great importance to equality in labour markets. Finland had a century-old policy of gender inclusivity in labour markets, which had in fact resulted in higher employment for women than for men. It was also important to give women the same opportunities as men in education and lifelong learning.

9. Labour policy had been focused on youth employment; after three months of unemployment, young people and those who had completed their education and were less than 29 years of age were guaranteed jobs. The policy had, however, resulted in higher unemployment among the middle-aged. Finland had one of the world's most educated working populations. Secondary school degrees were universal, and 40 per cent of the workforce held university degrees. Nonetheless, because of the global economic situation, foreign enterprises were not rushing to enter the Finnish market.

10. It was important to prevent violations of fundamental rights at work, which included guaranteeing freedom of association and collective bargaining, ensuring safety in the workplace and prohibiting forced or child labour. Otherwise, there could be no balanced economy worldwide.

11. It was regrettable that economic growth in Africa had not led to increased employment. Africa needed more middle-sized companies. In economies that were doing well, small, medium-sized and large companies existed in balanced proportions. The most successful economies also had a large share of middle-income families. Such families consumed, spent money and generally had decent work.

12. For demographic reasons, the next two decades would be marked by labour shortages worldwide. Higher productivity was the only solution. Digitization could raise productivity, but could also lead to the loss of familiar types of jobs without creating new ones. An example of that in the Finnish economy was the gaming sector, which generated billions but employed very few people.

13. **Mr. Bedas** (France) said that youth unemployment, which stood at 23.7 per cent in France, was a source of particular concern, as it could lead to poverty, problems with socialization and social cohesion, low productivity and shortfalls in social protection. The growing phenomenon of young people who were neither employed nor enrolled in any form of education or training programme was also of concern. In France, 900,000 people between the ages of 15 and 24 were in the category labelled "not in employment, education or training (NEETs)".

14. The President of France had made youth employment a priority. Government interventions included a job creation programme, designed to keep young people employed and enable them to acquire good work habits, under which 180,000 jobs had been created thus far. There was also strong support for apprenticeships in both the public and private sectors. A benefit of 1,000 euros for the recruitment of a first

apprentice, previously offered to employers with a maximum of 50 staff members had been extended to employers with up to 250 staff members. The goal was to have 500,000 apprenticeships by 2017. There were plans to spell out apprentices' rights and legal situation clearly. Apprenticeships were an important transitional phase from education to the world of work.

15. The European Commission Youth Guarantee, designed to offer training, internships and jobs to young people, had provided an opportunity for France to update its measures for those young people who were at the greatest remove from job opportunities. The prevention aspect of the programme included raising teacher awareness with regard to young people at risk of leaving the education system without a diploma. In France as elsewhere, the youth employment rate was inversely proportional to educational levels. The Government had responded by launching a programme to reduce the drop-out rate.

16. At the national agency called *Pôle emploi* ["employment centre"], 600 staff members provided personalized assistance to at-risk youth. Local offices of the agency worked to place those most in need of assistance in internships, training and jobs. They also helped young people in extremely difficult situations find their footing in society and provided guidance and, in some cases, psychological counselling.

17. Workplace gender equality measures had also been adopted, including rules designed to achieve greater gender balance on corporate boards of directors and support female entrepreneurship.

18. During the upcoming General Assembly, Member States would adopt a new development agenda. The ILO decent work agenda had an important role to play in sustainable development, as did social protection. Decent work was key to socioeconomic progress and long-term development and was also a way of addressing poverty.

19. While the report of the Open Working Group on Sustainable Development Goals failed to mention the promotion of social dialogue, it had made a good start by recognizing the importance of decent work and social protection for all. France supported the Working Group's proposed sustainable development goals.

20. **Ms. Roostiavati** (Observer for Indonesia) said that her country had undertaken to reduce carbon levels by 26 per cent by 2020. The transformation of the national economy to sustainable, low-carbon development would trigger shifts in the labour market and create demands for new skills and measures to facilitate a just transition for workers, employers and enterprises. Changes in production and consumption patterns toward a climate-friendly economy would mean incorporating social, gender and employment dimensions into decision-making. Labour authorities and social partners would have a role to play in developing inclusive and coherent climate policies. Commitment at the highest political level would be needed to ensure that environmental policy could address the gender and social dimensions.

21. Indonesia was involved in the ILO Green Jobs in Asia Project, whose main purpose was to assist with the shift to a low-carbon, environmentally friendly and climate-resilient economy accompanied by jobs recovery, reduction of social gaps, support for development goals and decent work. Through enhanced capacity of ILO constituents and national partners, the project contributed directly to national initiatives on employment, climate change, environment and disaster management and recovery from the economic crisis. The ILO constituents were, it was hoped, knowledgeable about the impact of climate policies on the labour market and the potential for gender-responsive green jobs.

22. The ILO constituents were the key target group for creating long-term capacity and social dialogue to mainstream green jobs into social and employment policy, contribute actively to climate and environmental policies at the national level and facilitate a just transition by enterprises and workers to a low-carbon, environmentally friendly economy.

23. Indonesia had also organized training for instructors at local and subregional productivity centres to accelerate green productivity in companies and government agencies throughout the country. A green workshop would be held in 2015 to harmonize visions from all sectors with a view to achieving greater sustainability and environmentally friendly conditions.

24. **Mr. Shearman** (United Kingdom) said that over the past 20 years, the number of people living in extreme poverty had fallen by half, resulting in better lives for 700 million people worldwide. The driver was economic growth; in places where long-term per capita growth was higher than 3 per cent, poverty fell

significantly. With jobs came dignity, as well as tax receipts for Governments, enabling the latter to provide social services. Job creation was therefore key to an ambitious post-2015 development agenda and a priority for the United Kingdom.

25. Across the world, 90 per cent of jobs created were in the private sector. Transparency, taxation and official development assistance (ODA) were important in harnessing private-sector support for sustainable development. Information on company ownership, land ownership and where money flowed should be more readily available. Strong and transparent institutions, the rule of law, strong property rights and the prevention of bribery and corruption would enable open economies to thrive and promote inclusive growth.

26. Joint efforts were required to respond to tax evasion and avoidance. The United Kingdom had worked to address the issue at the Global Forum on Tax Transparency and Exchange of Information for Tax Purposes, attended by 121 countries. It was of particular relevance to developing countries, which needed revenue but had weaker capacity to collect. The United Kingdom had cooperated with the tax authorities of the Government of Ethiopia to help build tax collection capacity. In the past decade, taxes collected in Ethiopia had increased seven times, aiding economic growth and job creation.

27. ODA must be used intelligently. The United Kingdom was the only member of the Group of 20 (G20) to spend 0.7 per cent of its income on ODA. However, there were limits to what ODA could achieve. It should be spent in ways that helped improve the business climate, boosted investment and growth and helped create jobs. The United Kingdom was working with other Governments to build tax capacity, modernize infrastructure, upgrade roads and ensure access to finance for women-owned small and medium-sized enterprises.

28. **Ms. Fox** (United States of America) said that a primary challenge facing all countries was increasing economic growth while ensuring broad-based sharing in the benefits of that growth. The benefits of growth did not automatically flow to all. Fostering inclusive economic growth depended on the ability of an economy to produce jobs with rising real wages, access to social protection and respect for basic rights. That required integration of macroeconomic and employment policies to support the core objective of creating quality jobs. There was an ongoing need to break down the silos into which discussions of economic growth, employment creation, human rights, national security and development had too often been separated. Strategies for growth, poverty alleviation, industrialization, women's economic empowerment, youth employment, the promotion of trade and investment all intersected with the issue of decent work.

29. Achieving inclusive, sustainable growth required understanding the importance of a coherent focus on job creation and decent work in macroeconomic and employment policy. It required investing in social protection floors to help insulate the most vulnerable workers and their families from economic shocks, as well as understanding the need for synchronizing education and training policies to labour market needs. It also required promotion and protection of internationally recognized worker rights, from putting in place and enforcing meaningful standards of workplace safety and health, wages and hours of work to ensuring a voice for workers to advocate for their own interests by protecting freedom of association and the right to bargain collectively.

30. Ways to slow and reverse the increase in inequality within individual economies must be found. ILO and other research indicated that respecting workers' rights led to positive long-term economic outcomes, including higher levels of foreign direct investment (FDI). Bringing workers, especially women, into the formal economy had ripple effects. Inequality declined, while opportunity and social stability increased. Tax collection improved, and countries and communities were stronger and better able to meet their people's rising expectations.

31. Recent initiatives in the United States included a pending proposal to raise the federal minimum wage and successful efforts in 11 states to raise the minimum wage at the state level; a proposed expansion of the earned income tax credit to relieve the tax burden on low and middle-income workers; extension of unemployment insurance benefits; and major health care reforms. The United States had also engaged in discussions of job creation in various international forums.

32. **Ms. Frankinet** (Observer for Belgium) said that her country welcomed the integration segment's focus on job creation and decent work for all. Belgium had

long supported decent work in the context of ILO and the European Union and as Co-Chair of the Group of Friends on Decent Work for Sustainable Development, and welcomed its inclusion in the post-2015 agenda and proposed sustainable development goal 8. Harmonious economic and social development, built on social justice, must be based on respect for basic social rights, productive work freely chosen, extensive social protection and social dialogue. Promotion of gender equality must be taken into account in a cross-cutting fashion. Decent work required a macroeconomic context that created the necessary economic and financial conditions for investment and the creation of productive jobs. At the same time, decent work contributed to growth, the fight against poverty, reduction of inequalities, inclusive development and gradual emergence from an informal economy by providing workers with opportunities, protections and advancement.

33. Decent work was affected by climate change, which destroyed infrastructure and enterprises and inflicted suffering on populations struggling to survive or recover. Decent work must also be part of the adaptation to the reality of climate change, in the form of green jobs, for example.

34. The post-2015 agenda must affirm that, for States, decent work was also a matter of governance. While it was not clear that decent work had been successfully integrated into the United Nations system — something that should be looked into further — there was no doubt that what happened in States and supply chains could make a difference.

35. States must coordinate their economic and job policies and enact legislation enabling all economic actors, including social partners, to participate in social dialogue and collective bargaining. ILO recommended tripartite governance for the implementation of decent work, ensuring input from social partners on economic and social policy.

36. Within supply chains, States and social dialogue were under pressure from the unbridled competition of multinational corporations. Social disasters could be avoided only through dialogue between States hosting production facilities and headquarter States, between companies and international union organizations, and through assumption of social responsibility by enterprises.

37. Given the role of capital in financing, all of the international organizations, banks, funds and programmes must become involved. Ideally, the current integration segment and the United Nations summit for the adoption of the post-2015 development agenda would result in commitments by States, new directions for partners and appropriate modalities.

38. Given its tripartite structure, ILO was clearly central to raising awareness of the importance of decent work to balanced development in all countries, based on the three aspects of sustainable development. In the coming weeks, her Government would be working with ILO Director-General Ryder on successfully advancing decent work as a cross-cutting objective of the post-2015 development agenda and on considering consensual criteria for evaluating implementation of social protection floors, as indicated by ILO recommendation No. 202.

39. **Mr. Kydyrov** (Kyrgyzstan) said that given economic difficulties, volatile markets and the negative impact of climate change, job creation was currently of particular importance. Sustainable economic growth and job creation were not possible without respect for the fundamental human right to decent work. Policies must be based on the principles of broad social dialogue and involvement of all stakeholders, including Governments, employers and workers.

40. Kyrgyzstan was taking comprehensive measures to promote good governance, institutional capacity and legislation. The Government had developed a road map for employment policy through decent work for the period 2011-2015. It included policies and measures that met the key criteria of decent work for all categories of employees, including persons with disabilities.

41. The national sustainable development strategy for the period 2013-2017 prioritized support for the real sectors of the economy and job creation, including creation of green jobs, with a special focus on the development of agriculture and tourism, infrastructure projects, and microfinancing for women and youth entrepreneurs.

42. State regulation of the labour market and employment took into account important national economic development trends and had resulted in Kyrgyzstan's reclassification as a lower-middle-income country.

43. A Presidential Decree had declared 2015 the Year of Strengthening the National Economy and promulgated such priorities as creating new industries and jobs, wage growth, energy development and improved well-being.

44. Nonetheless, there remained a large labour surplus in the country, and labour resources were not highly competitive. The employment rate stood at a mere 58.8 per cent, and the overall unemployment rate was 8.4 per cent. About 1 million Kyrgyz citizens were migrant labourers abroad. His Government therefore accorded high priority to the establishment of an effective system to protect the economic and social rights of labour migrants.

45. Labour migration was growing, especially among the poor, many of whom were potential victims of forced labour and human trafficking. Expert estimates indicated that between 5,000 and 15,000 Kyrgyz citizens had been trafficked abroad. His Government was therefore working actively with partner countries and international organizations on the issue, especially ILO and the International Organization for Migration.

46. Greater cooperation was needed at the regional and subregional levels to ensure equal treatment and fair working conditions, wages, social security and access to justice. An important result of regional cooperation was Kyrgyzstan's accession to the Eurasian Economic Union, which opened up opportunities for freedom of movement and the development of a decent labour market and would provide more effective legal protection for the citizens of its member States, including Kyrgyzstan.

47. Kyrgyzstan fully supported inclusion in the post-2015 agenda of a goal to end poverty in all its forms everywhere and promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Adoption of an updated post-2015 agenda and effective indicators would consolidate the efforts of all Member States and the international community and make possible genuine improvement in the well-being of people in all countries by 2030, based on the principles of full employment and social justice.

48. **Mr. Shava** (Zimbabwe) said that employment was recognized as a key priority in Zimbabwe and at the subregional level. Zimbabwe was guided by the policy framework of the Southern African Development Community (SADC), whose objective was to harmonize policies and achieve best practices throughout the region. SADC had an employment and labour unit that monitored and coordinated implementation of a regional strategic development plan. The plan promoted sustained economic growth; education and training policies; increased rates of labour absorption; proactive approaches to employment creation at the national level; strategies at the macroeconomic, institutional and enterprise level; enhanced productivity and income generation; and elimination of gender inequalities in the labour market.

49. Since independence, Zimbabwe had been committed to job creation for young people through a massive expansion of education and training at all levels, investments in key economic sectors, support to halt company closures and measures to address liquidity shortages.

50. Policies and strategies had been put in place to address the mismatch between educational programmes and the needs of the job market. The skills gap between institutions of higher learning and industry had resulted in graduates who were deemed unemployable, even in fields such as engineering, information and communications technology, health care and banking. Institutions of higher learning needed to tailor their programmes to meet the needs of the economy.

51. Land reform had provided land to millions of landless people and contributed to employment creation and livelihood support for over 1.7 million people taking up tobacco, cotton, dairy, poultry and hog farming, as well as horticulture, among other areas. Land reform had stemmed migration from rural areas to cities by creating employment opportunities for people where they lived. A recent study indicated that 260,000 permanent jobs had been created by land reform, as well 447,000 seasonal jobs each farming season.

52. His Government's economic blueprint for the period 2013-2018 was crafted to achieve economic growth, sustainable development and social equity based on the four clusters of food security and nutrition, social services and poverty eradication, infrastructure and utilities, and value addition and beneficiation. Those clusters had great potential to spur economic growth and create decent jobs through full exploitation, value addition and beneficiation of the country's abundant natural resources. They also had

the potential to reduce and ultimately eradicate poverty in the country. The Government was also reviewing vocational training programmes.

53. The informal sector was important to livelihood support in Zimbabwe. There were approximately 3 million small and medium-sized enterprises in the country, which were an important engine for economic growth and employment creation. In 2012, 2.8 million small and medium-sized enterprises had created nearly 5.7 million informal jobs. However, those enterprises faced many challenges that hampered their growth and success, including lack of access to capital from financial institutions, lack of appropriate technology, lack of business management skills and limited access to markets.

54. His Government was taking various measures to support small and medium-sized enterprises, including regularizing the informal sector through business registration, licensing, opening of business bank accounts and business record-keeping. Such measures would enable the Government to raise revenues through taxation, import duties, and property and other taxes.

55. Efforts to support and promote small and medium-sized enterprises were being pursued by the Ministry of Small and Medium Enterprises and other institutions established for that purpose, including the Small Enterprises Development Corporation, Venture Capital of Zimbabwe, the Zimbabwe Investment Centre and the Infrastructural Development Bank, among others. Financing facilities, tailored management, technical training, infrastructure support, technology acquisition, quality control and research and development services were available. The Government was also working hard to create a business-friendly environment.

56. **Mr. Abdrakhmanov** (Kazakhstan) said that poverty alleviation required macroeconomic strategies at the national, regional and global levels to improve living conditions for the poor and enhance their capacity to work and be productive in both urban and rural areas. As the vast majority of the world's poor lived in rural areas, securing property rights to land — the largest asset for most societies — was vital to economic freedom. In Asia and Africa, farm incomes could be increased through diversified agriculture, improved water management, irrigation and climate change adaptation. Economic ties should be fully depoliticized.

57. Targeted restructuring of the economy that emphasized regionally-based development, increased access to affordable and adequate educational, health and social services provided by the Government, and the promotion of small enterprises, microenterprises and cooperatives would result in economic and social empowerment, especially for women and youth, among whom the unemployment rate was staggering. A rise in employment without increased productivity would not diminish the numbers of working poor. All sectors of society, including agriculture, manufacturing, commerce, trade and the services must grow together to generate a holistic national and regional macroeconomic policy, including for migrants.

58. Policies were needed to upgrade the manufacturing industry and expand high-quality service sectors by training workers for new jobs and skills. Also needed were minimum wages, collective bargaining and other reforms to reduce income inequality, promote inclusive growth and benefit the environment.

59. At the global level, developed countries should refrain from actions that created barriers for developing countries, such as tariffs and sanctions, and should not impose conditions that hampered economic development or employment opportunities. ODA should attract investments for developing infrastructure and telecommunications projects. ODA commitments must be upheld. South-South and triangular cooperation were also essential. Corporate social responsibility, mobilized through the United Nations Global Compact, could make a significant contribution, together with the international financial institutions and regional development banks.

60. Kazakhstan had developed its own long-term vision, called Kazakhstan 2050. The country's goals were to move towards a knowledge-based economy and the development of new, high-tech sectors through investments in education, research, science, medicine, innovation and technology; to create new job opportunities and decent work for a sizeable population; and to help move from an economy based on informal employment to one based on formal employment.

61. It was estimated that by 2050, small and medium-sized businesses would produce at least 50 per cent of the gross domestic product (GDP) and that labour productivity would grow fivefold. If the GDP per capita growth rate attained 4.5 per cent, the middle class would make up a predominant share of the population.

That would enable Kazakhstan to move beyond Millennium Development Goal 1 on eradicating extreme poverty and hunger, which it had already reached.

62. A parallel approach, known as the Path to the Future, had been launched to realize the goals for 2050. Despite financial constraints, people-centred development would be pursued in order to ensure a high level of social protection for the vulnerable segments of the population. Government funds equalling $9 billion would support massive infrastructure development, employment and small, medium and large-scale entrepreneurship, including projects for women's employment and youth services. Investments would also be made in health care, education and social welfare.

63. In conclusion, he invited African countries to attend the eighth Astana Economic Forum to be held in May in order to engage in an exchange with experts on enhancing African capabilities.

64. **Mr. Zehnder** (Switzerland) said that sustainable development must be a reality for all citizens. The commitments made under the MDGs and the World Summit for Social Development held in Copenhagen, as well as those to be made under the post-2015 development agenda, must all be met. Negotiation of the post-2015 agenda represented an outstanding opportunity for the world economy to integrate the dimensions of sustainable development. The international community must work to identify relevant policies, on the one hand, and possible conflicts of interest, on the other.

65. Economic growth was necessary but insufficient for ensuring sustainable development and job creation. To contribute to sustainable development, growth must benefit the largest possible number of people. Growth that benefited only one segment of society would lead to inequalities and social tensions. It was essential to integrate developing countries into the world economic system and promote their sustainable growth.

66. The causal links between sustainable development and job creation to combat poverty were complex. The primary challenge was qualitative, involving improving working conditions and productivity. But there was a quantitative challenge as well, involving the need to create sufficient numbers of decent, sustainable jobs. Policy coherence was therefore crucial.

67. An active job market policy must include economic conditions that favoured productivity and the search for new solutions leading to a green economy. Creation of productive jobs and decent work must be central to economic policies and must improve access by poor people to productive resources. For that reason, Switzerland was committed to implementing the ILO decent work agenda and to strengthening international and national policy coherence.

68. Switzerland supported the efforts of the international community to develop a social protection floor and called on all States and social partners to pool their efforts to effectively implement the recently adopted measure to that effect. Switzerland had adopted and implemented a national anti-poverty strategy that aimed to improve the circumstances of people living in poverty at each stage of life.

69. The challenges of coordination and solidarity to ensure sustainable development were shared by all countries, regardless of their level of economic, social or demographic development. Approaches should be integrated and based on the three pillars of the 1995 Social Summit. Social inclusion of all population groups and their integration into the labour market were necessary conditions for the elimination of poverty. It was crucial to avoid working in a vacuum and to draw inspiration from the broad experience of civil society, including social partners.

The meeting rose at 6.05 p.m.

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Integration segment

Summary record of the 19th meeting
Held at Headquarters, New York, on Wednesday, 1 April 2015, at 10 a.m.

President: Mr. Drobnjak (Vice-President) ..... (Croatia)
later: Mr. Khiari (Vice-President). ..... (Tunisia)

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Achieving sustainable development through employment creation and decent work for all (*continued*)

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15-05247 (E)

Please recycle

In the absence of Mr. Sajdik (Austria), Mr. Drobnjak (Croatia), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Achieving sustainable development through employment creation and decent work for all (*continued*)

1. *A panel discussion on the topic "Finding the opportunities: Matching education and skills to market demands", moderated by Mr. Antonio Prado (Deputy Executive Secretary, Economic Commission for Latin America and the Caribbean) was held. The panellists were Ms. Elizabeth A. Vazquez (President, Chief Executive Officer and Co-founder, WEConnect International); Mr. Ron Bruder (Founder, Education for Employment); and Mr. Zach Sims (Co-founder and Chief Executive Officer, Code Academy, United States). The panellists made statements and an interactive discussion ensued, during which the panellists responded to comments and questions from the moderator; the representatives of Finland, the Republic of Korea and the United States of America; the observer for the European Union and the Director of the Division for Social Policy and Development, Department of Economic and Social Affairs. The representative from the International Trade Centre also participated in the discussion.*

2. **Ms. Aching** (Trinidad and Tobago) said that there was a mutually reinforcing relationship between employment and decent work and the achievement of sustainable development. Initiatives designed to spur job creation were most successful when they addressed the three dimensions of sustainable development in an integrated manner. To that end, Trinidad and Tobago had been fully engaged in the design and implementation of policies, plans and strategies to promote sustainable development through employment creation and decent work for all, with initiatives coordinated across relevant ministries. In keeping with the Medium Term Policy Framework 2011-2014 designed to implement the first phase of the "Prosperity for All" national development plan, her Government had restructured the economy to provide meaningful and sustainable income-generating opportunities for segments of the population that traditionally operated on the margins of the economy. That included implementing initiatives to stimulate the construction sector and create high-value production systems in the agriculture, manufacturing, tourism, service and cultural sectors; streamlining skills training to match the needs of expanding sectors; creating industries that allowed telecommuting and flexible working hours for women, with the necessary training and development; designing a Green Enterprise Development Policy (2014-2016) geared towards micro- and small enterprises in support of economic diversification; and establishing a Social Dialogue Task Force to support collaborative decision-making by government, employer, worker and civil society representatives and strengthen partnerships at the national level. Those actions were being implemented alongside traditional short-term employment programmes and taking place in the context of national and regional development plans but would also be brought in line with the post-2015 development agenda.

3. Stakeholders at the national level were already in the process of strengthening existing institutions and inter-agency collaboration to support implementation of the sustainable development goals. In that context, technical assistance would be required to develop best practices for promoting a demand for green products and services, especially in micro- and small enterprises, as well as for monitoring and evaluating existing national projects and programmes related to small business development. Noting the pivotal role that the Council must play in linking global follow-up to regional and national efforts in a manner that added value for all stakeholders, she expressed her country's hope that, in future, the Council's valuable integration segment would be tailored to dealing with common challenges and successes experienced by Member States in implementing the new development agenda.

4. **Ms. Lalic Smajevic** (Serbia) said that the critical issues being discussed were the main driving force behind inclusive economic growth, social cohesion and the fight against poverty and were also very relevant for the promotion of a green economy which could spur job creation. As a middle-income country, Serbia was facing specific development challenges: the job market was characterized by an imbalance between the supply and demand for labour and unemployment among young people, women, vulnerable populations and people with lower education levels, and by considerable regional disparities. To improve job market conditions, her Government had designed specific measures aimed at raising employability and

employment to ensure stable and sustainable employment growth until 2020. The National Employment Strategy for the period 2011-2020 called for measures to improve the general economic and business environment in order to attract investment and create jobs, amendments to the regulations of the mandatory social insurance system and tax laws, and the adoption of measures on formulating active employment policies.

5. The 2015 National Employment Action Plan was aimed at improving job market conditions and promoting job market institutions; encouraging employment and social inclusion of less employable persons and supporting regional and local employment policies; and enhancing the quality of the labour force and investment in human resources. The Action Plan placed greater emphasis than ever on the employment of persons with disabilities.

6. **Mr. Cardi** (Italy) said that, according to the latest data, the global employment crisis was not over and the best efforts were needed to overcome it. Unemployment rates would continue to rise, with an estimated 2012 million unemployed by 2019, while growth of the global economy remained slow and income inequality increased. However, on a positive note, there had been a global decline in workers living in poverty or with low job security. Employment must therefore remain a priority for Governments, working on the structural factors that impacted the job market, such as shrinking labour forces owing to aging populations and the radical shift in required skills.

7. His country was actively searching for and promoting appropriate solutions to the widespread problem of youth unemployment domestically and internationally. During its Presidency of the European Union, to underline the need for synergies, Italy had organized a meeting of European ministers of education and ministers of labour, with input from the social parties (Governments, employers, workers) on designing professional training and apprenticeship programmes. In the same vein, it had convened a summit of European Union leaders on unemployment, particularly youth unemployment, lending further momentum to the adoption of new approaches to match educational qualifications and job market supply with demand. His Government had also embarked on fundamental structural reform of the national job market through its Jobs Act with a view to streamlining labour regulations; optimizing active labour policies; reorganizing the employment contracts system; and strengthening mechanisms to improve work-life balance, particularly for women. Positive results were already being seen less than one year later.

8. In addition to the necessary reforms on the supply side, it was important to improve the general economic climate by sustaining aggregate demand and providing appropriate incentives for productive investment with a specific focus on small and medium-sized companies and innovation.

9. **Mr. Mukerji** (India) said that if sustainable development was truly about achieving balanced economic growth, social inclusion and environmental stewardship, then employment creation must be at the centre of it. Otherwise, those three objectives were arguably unattainable. Employment creation and decent work were prerequisites for developing countries to realize the demographic dividend and gave the poor access to the necessary resources to ensure stable and sustainable livelihoods. Among the several short- and long-term policy options for sustained employment creation and decent work discussed during the current session, skill development and manufacturing had been key in India's developmental experience. The Prime Minister of India had recently addressed those issues, speaking of nurturing an ecosystem where the economy was primed for growth that had a chain effect on all-round development, job creation, skilled labour, production and, ultimately, quality. Meeting global quality standards would then drive prosperity and improve the welfare of all.

10. Development must result in jobs — not just mass production, but also production by the masses. In predominantly agrarian societies like India, mass manufacturing and industrialization were a prerequisite for creating jobs for young people. His Government had therefore implemented a number of ambitious initiatives to make India a destination for world-class manufacturing, notably the automotive industry, and to develop a skilled workforce that would be available for purposes of rapid economic diversification and development. The national manufacturing policy was aimed at increasing the share of manufacturing in the gross domestic product (GDP) from 16 to 25 per cent and creating 100 million additional jobs in that sector by 2022. India was well poised to realize the demographic dividend, but less than 5 per cent of its potential workforce currently received the formal training to be employable in twenty-first century jobs.

To address that shortcoming, his Government had established a Ministry of Skill Development and Entrepreneurship, which was coordinating a new national mission to equip young people with the skills to take advantage of the opportunities offered by the rapidly growing economy. At the international level, the issue of employment creation and decent work in the context of norm setting was particularly important in the light of the post-2015 development agenda, which should engender systemic reforms in support of national action to empower youth through employment as a step towards sustainable development.

11. **Mr. González Franco** (Observer for Paraguay) said that his country's recently adopted National Development Plan 2015-2030 was based heavily on the Millennium Development Goals and what had been accomplished thus far in the context of the proposed sustainable development goals. Designed to attain higher standards of living, full employment and sustainable development, the Plan established an important link between development and trade, which was a driver of the economy and employment. However, the relationship between trade, employment and sustainable development could be complex because countries were in different situations and not all of them had the necessary legal, regulatory and physical infrastructure to benefit from foreign trade fully. Trade on unequal terms could generate more inequalities between and within countries. Countries in special situations had special needs and, in the interest of trade and employment, it was vital to incorporate new measures and new instruments in the multilateral agenda.

12. Being among the 16 per cent of Member States that were landlocked developing countries, Paraguay saw that lack of direct access to the sea had an impact on trade. Studies showed that economic growth in some landlocked developing countries fell 20 per cent short of potential growth and they faced transport costs up to 45 per cent higher than comparable coastal economies. The opportunities and potential benefits of being close to markets were an important stimulus for trade and investment; they encouraged growth and development and, in turn, greater employment creation. Cooperation, particularly South-South and triangular cooperation, in complement to North-South cooperation, could thus be of paramount importance in strengthening institutional capacities in the areas of sustainable development and employment creation. More importantly, it could help to address weaknesses that diminished the multiplier effect of trade as a factor of development. He urged the Council to continue encouraging open debate and draw on the rich normative heritage of the United Nations in the areas of work, equality and trade so as to guarantee the success of the development programmes to be adopted. The special needs of landlocked developing countries should be considered in greater depth during the upcoming high-level political forum on sustainable development.

13. **Mr. Khiari** (Tunisia) said that the revolution in his country had been triggered largely by high unemployment, social injustice and regional disparities and had also revealed the structural weaknesses and limitations of the economic growth that Tunisia had been experiencing at the time. While rapid, that growth had been bereft of all social justice and characterized by inequality and human rights violations. High unemployment and unstable employment affected different social demographic categories of jobseekers, principally young people and university graduates. Through the efforts of successive Governments, the unemployment rate had dropped from 18.3 per cent, with 704,000 unemployed in May 2011, to 15.2 per cent by the first quarter of 2014. However, the interior regions of the country still suffered from higher levels of unemployment and poverty than the coastal regions.

14. In the transition to democracy and in an effort to address the situation without delay, his Government had adopted a national employment strategy 2013-2017, drafted by the Ministry of Vocational Training and Employment working together with all relevant stakeholders, including unemployed youth, representatives of civil society and members of parliament. The strategy, which was in line with broader international efforts to reduce unemployment, comprised a number of objectives, the first of which was to focus macroeconomic policy on employment through fiscal, monetary and banking policies, improving the investment climate and encouraging research and development as well as social dialogue. He stressed the need to identify and revitalize income- and employment-generating sectors and support the private sector to boost job creation by improving the business environment and promoting, inter alia, a regulatory framework conducive to employment. The strategy was also aimed at enhancing regional

development, building women's capacity and improving the employability of the labour force.

15. In January 2013, Tunisia, a longstanding and committed member of the International Labour Organization, had signed a new social contract with its national labour unions, covering economic growth, regional development, employment and vocational training. The social contract also provided a framework to improve workplace relationships, guaranteed decent work and social protection, and institutionalized permanent tripartite social dialogue.

16. **Mr. Maksimychev** (Russian Federation) said that the economically active population was one of the main drivers of development. An underutilized labour force resulted in an economy working at half speed and unable to fulfil its production potential. Unemployment in the Russian Federation currently stood at 5.5 per cent, and its experience in reducing unemployment showed that employment policies should focus primarily on young people and women. Every year, of the country's approximately 1.7 million young jobseekers, about 74 per cent found decent jobs. That success was the result of integrated measures, including organizing vocational guidance for young people at State level; providing apprenticeships for graduates; and providing direct assistance in finding jobs. Every year, some 1.3 million young people between 14 and 29 years of age received vocational guidance on the different specialties available, and the requirements for and the current and expected demand for each specialty in the labour market, whether in a particular region or in the country as a whole. Young people were thus able to make informed decisions about their future profession. Small business development also played an important role in solving the problem of youth unemployment as it increased the number of jobs available and expanded the fields of economic activity.

17. Improving education for women and increasing their economic and social participation improved their employability. Since 2012, Russia had been implementing comprehensive measures to improve the work-life balance for women, including providing access to preschool and other services for younger children; promoting flexible working hours and telecommuting; helping women to find a job or become self-employed; and organizing vocational training for women on maternity leave or with children under the age of three.

18. The Russian Federation called for goal 8 and other sustainable development goals proposed by the Open Working Group on Sustainable Development Goals to be included in the post-2015 development agenda, and stood ready to continue a constructive dialogue on developing global indicators for assessing progress to that end.

19. *Mr. Khiari (Tunisia), Vice-President, took the Chair.*

20. **Mr.** Antonio **de Aguiar Patriota** (Brazil), recalling the lingering devastating effects of 1980s neoliberal economic policies and the 2008 economic and financial crisis, said that the trend of increased unemployment must be reversed. There was a need for a new paradigm in which States were supported in their development efforts to put people first and reduce inequalities through sustained economic growth, while protecting the environment. To achieve full and productive employment and decent work for all by 2030, priority must be given to cross-cutting approaches through inclusive policies for the creation of more and better-quality jobs that not only generated economic growth and welfare, but also acted as drivers of social inclusion and poverty reduction. The formalization of the labour market, the expansion of minimum wage, social protection nets, universal access to health and education and other distributive policies could be instrumental in improving standards of living, and multisectoral policies combining income generation with education, health and environmental requirements could yield positive results.

21. While gender equality in employment was an important issue, with youth unemployment rates at record levels, it was urgent to provide more opportunities for young people to acquire the skills to become competitive in the labour market. Access to quality primary and secondary education and technical and vocational training was essential for sustainable employment. Consequently, his Government and the private sector had worked together to develop the National Services for Industrial, Agricultural and Commercial Apprenticeships, a public-private network of technical apprenticeship schools that aimed to increase the supply of skilled labour and competition in the labour market. In addition, since 2011, the National Programme for Access to Technical Education and Employment had expanded the network and created more opportunities for vulnerable or marginalized populations.

22. As Professor Stiglitz had stressed in the panel discussion at the Council's 15th meeting, economic growth by itself did not necessarily generate employment; Governments must be given adequate policy space to support inclusive and sustainable development. The success of domestic policies for the promotion of inclusive and sustainable employment depended on an international enabling environment that was supportive of the needs and priorities of developing countries and the realization of urgent reforms in global economic and financial governance, as well as in international trade. Global regimes should proactively support domestic reforms in developing countries rather than act as barriers; international cooperation to that end was thus vital. A universally applicable sustainable development agenda could provide a favourable context for developed countries to live up to their intergovernmental commitments, with scaled-up technical assistance and capacity-building in science, technology and innovation. South-South cooperation could also provide a much-needed complementary contribution. Moreover, given the increasingly important role of the private sector as a driver of sustainable development, Governments would need to acquire the necessary regulatory capacity to stimulate private enterprise and attract businesses while preserving national priorities and development strategies. Brazil was fully committed to ensuring that the international community made the most of the 2015 landmark conferences, which would provide an opportunity to take coherent steps towards a world of full and productive employment.

23. **Mr. Grant** (Observer for Canada) said that promoting decent jobs and sustainable economic growth at home and abroad were key elements of his country's prosperity agenda. While over 200 million jobs would be needed by 2020 to combat global unemployment and absorb growth in the labour force, it should be emphasized that decent jobs — not just any jobs — would be required, for there could be no prosperity without decent jobs. Central to that challenge was meeting the needs of young people, whose talents, creativity and energy represented immense potential for economic growth and an opportunity for greater inclusion. Failing to integrate young men and women in the economy would squander an opportunity to support both economic and individual growth. However, with appropriate policies, skills training and labour market measures, developed and developing countries alike could greatly benefit from that demographic dividend. In Canada, every federal budget since 2009 had focused on training for in-demand jobs and skilled trades; promoting careers in skilled trades and in sciences and technology among young Canadians; supporting apprenticeships through tax measures, grants and loans; helping to link unemployed persons with prospective employers; and providing more and better labour market information. Federal and local authorities also provided training and apprenticeship programmes for aboriginal peoples to help them to secure sustainable and meaningful employment.

24. Sustainable economic growth, which continued to be a priority of Canadian foreign policy, must be inclusive and job-rich to drive poverty reduction. The links between poverty, development and the environment were undeniable. Canada therefore supported proposed goal 8 of the Open Working Group on Sustainable Development Goals and was pleased that elements of the decent work agenda had been mainstreamed across other proposed goals. His country also supported the Statistical Commission and technical experts in defining the appropriate decent work indicators, building on existing definitions, data, and international agreements, as appropriate. Fundamental labour rights and the development of high labour standards were essential to achieving the goal. It was important to be competitive in the global marketplace, but not at the expense of high labour standards, which engendered high performance and productivity. In addition, eliminating discrimination and ensuring full participation in the labour market led to a more innovative and competitive economy. Employers must be encouraged to draw on the ideas, skills and ingenuity of all workers. Ensuring girls' and women's access to quality education and decent work opportunities would also help to prevent harmful practices such as child, early and forced marriage. Canada looked forward to continued international collaboration among Governments, civil society and the private sector in striving to make decent work for all a reality.

25. **Mr. Suazo** (Honduras) said that achieving the objectives of full employment and decent work for all would require the participation of all sectors of society and innovative approaches in terms of policies, legislation, programmes and cooperation. His Government was investing heavily in increasing employment rates, supporting families living in

extreme poverty and combating corruption. Initiatives included helping businesses take on full-time staff and pay them at least minimum wage; strengthening the agricultural sector; supporting micro-, small and medium-sized enterprises; increasing domestic and foreign investment by means of public-private partnerships and legislation to improve legal certainty; providing free online English courses and certification for all citizens, as part of an initiative aimed particularly at young people; installing over 55,000 eco-friendly stoves to provide economic opportunities for women while at the same time improving their families' health; providing direct cash transfers to families to enable children to go to school instead of working; imposing heavy penalties for failing to pay equal wages; and introducing legislation aimed at achieving 50 per cent female participation in political life by 2017.

26. **Mr. Hahn** Choonghee (Republic of Korea) said that employment and decent work were the foundation for dignity and prosperity at the individual, national and global levels and were closely linked to sustainable development. To tackle unemployment, his Government had developed national competency standards for vocational education and training to increase employment opportunities for youth; taken steps to increase women's participation in the workforce by encouraging men to share childcare responsibilities and introducing part-time and flexible working hours in the public sector; introduced re-employment services such as free training to help middle-aged and elderly people remain economically active; developed a plan to convert 65,000 non-regular public sector workers to regular status between 2013 and 2015; strengthened employment safety nets; and begun revamping market institutions and practices to keep up with economic and social changes and build an employment system based on an open and fair labour market. The challenges of low employment rates among women and youth, economic and social inequalities and inappropriate working conditions would require innovative and integrated approaches. Another important future challenge would be the creation of more green jobs.

27. **Ms. Franceschi Navarro** (Panama) said that employment creation was a particularly significant aspect of sustainable development, given that it was a common denominator of many economic growth policies. While Panama had achieved 96 per cent employment among its economically active population, 35 per cent of those people were working in the informal sector. Her Government had therefore introduced measures to improve access to financial services for small enterprises and enable them to gain legal status without being burdened by taxes or heavy bureaucracy.

28. Another challenge was the surplus of unskilled workers in Panama's urban areas, leading to an influx of highly skilled migrant labour to compensate. A strategic plan to address that issue had been developed and would be implemented over a period of between 7 and 10 years. In addition, the "Bilingual Panama" programme had been launched to improve English language teaching in the education system in order to make graduates more competitive on the labour market. She encouraged Member States to create quality jobs and build capacity through high-quality education at all levels since social mobility and, therefore, employment were prerequisites for sustainable economic growth.

29. **Mr. Roet** (Observer for Israel) said that despite the progress made in the past three decades, around 15 per cent of the world's population was still living on less than US$ 1.25 per day. The experience of the Millennium Development Goals had made it clear that poverty could only be addressed through an approach incorporating the social, economic and environmental dimensions of development. Experience had also shown that improving access to employment, including for women and youth, was a direct way to combat extreme poverty.

30. While Israel lacked natural resources, its diverse society provided many opportunities to create a robust and stable economy. The Government had developed numerous strategies to promote employment creation and decent work, taking into account the different abilities and cultural and religious backgrounds of the population. Programmes included retraining for engineers and computer science graduates over the age of 45; a programme to help Bedouin, Arab and ultra-Orthodox Jewish women build financial independence through microenterprises; and vocational training opportunities for youth, older persons, immigrants and persons with disabilities. His country's resilient job market had kept the unemployment rate down throughout the global financial crisis, hitting a record low of just over 5 per cent in 2014.

31. Entrepreneurs were seen as the backbone of his country's economy; 7,000 new jobs in the high-tech industry were created every year thanks to the Government's efforts to create an environment where technology-focused start-up companies could thrive. Financial support and strategic and investment partnership opportunities were available to help technological start-ups offset the challenges and risks they faced in their early stages. Entrepreneurship was fostered in the population from a young age; training programmes were offered to youth from all walks of life to familiarize them with project creation and development. Israel also promoted the role of entrepreneurship in sustainable development at the international level by sponsoring a biennial resolution on entrepreneurship for development, while, for half a century, its international development cooperation agency had been providing vocational and entrepreneurial training programmes to help generate jobs in the developing world.

32. **Ms. Byaje** (Observer for Rwanda) said that bold strategies were needed to improve employment prospects in both developed and developing countries. She hoped that the international community would deliver on its promises to help States create opportunities for decent employment that would enable people to live in dignity.

33. Following the genocide against the Tutsi, her Government had begun providing income support in the form of cash transfers for those living in poverty, as well as access to health care services and education. More recently, it had launched its "Vision 2020" initiative to accelerate poverty eradication, rural growth and the implementation of social protection. That would involve building a private-sector led economy, with entrepreneurship playing a significant role in helping Rwanda become a middle-income country by 2020. Economic growth had exceeded 8 per cent on average over the past decade, and employment outside of the dominant agricultural sector had more than tripled over the same period. There were now over 125,000 small and medium-sized enterprises operating in the country. The combination of economic growth and assistance for those in need had lifted more than 1 million Rwandans out of poverty.

34. However, rising unemployment among youth, who represented 60 per cent of the population, called for drastic measures to ensure that the number of jobs created kept pace with the supply of graduates. The Government was therefore planning to promote entrepreneurship by investing in vocational training; building a culture of entrepreneurship; facilitating the establishment of start-ups through an appropriate regulatory framework and access to financing, financial products, business services and markets; investing in research and development and supporting access to technology; and continuing to invest in infrastructure, such as the continued expansion of the electricity network to rural areas. Drivers of growth had to be transferred from the public to the private sector, and Rwandans needed guidance in making informed decisions with respect to regional and international markets. It was worth noting that regional integration had been an important element in providing jobs: free movement of goods and people within the East African Community had provided quicker and simpler access to a market of 153 million people and enabled youth to move freely to search for jobs.

35. Her country's future strategy would be to ensure economic, social, political and environmental security, looking back to its pre-colonial roots to emphasize cultural values and protect itself against ideologies that favoured genocide.

36. **Ms. Prizreni** (Albania) said that the main priorities of her Government's national employment and skills strategy for the period 2014-2020 were introducing services and programmes to ease the transition of individuals into decent work; strengthening the link between learning and labour market inclusion by providing vocational training for youth and adults; improving employment and training services in rural areas, with a particular focus on vulnerable groups such as women and girls; establishing a direct link between social assistance and reintegration into the labour market; and developing a national qualifications framework to improve governance of the labour market. An internship program for recent graduates and a scheme for unemployed youth had been put in place to address the important issue of youth unemployment. Additionally, the Government had established a national labour council to examine issues of common interest to employer and employee organizations and find solutions that were acceptable to both parties. Her Government was committed to developing sound, result-oriented employment policies.

37. **Mr. Di Luca** (Argentina) said that employment creation and decent work were cross-cutting elements

of the economic, social and environmental dimensions of sustainable development: not only was decent work the most effective way for people to break out of poverty, but it was also linked to inclusive economic growth and could lead to sustainable production. There must be a continued effort to implement sustainable mechanisms enabling vulnerable sectors of the population to become part of and strengthen the formal economy. For that reason, his delegation believed that the post-2015 development agenda should accord priority to decent work and to ensuring equal pay and opportunities for women and youth.

38. Decent work was a fundamental aspect of Argentine national policy. In recent years, quality employment had become a basic pillar of the production model. His Government had adopted the goal of "promoting decent work" alongside the Millennium Development Goals in 2003 and had declared 2011 the Year of Decent Work and Workers' Health and Safety. Significant progress had been made in promoting productive work, increasing social protection, creating respect for workers' fundamental rights and promoting social dialogue. Macroeconomic policy had been integrated with social and labour policies to promote the creation of decent work and establish it as the heart of economic growth, social inclusion and democratic governance.

39. **Ms. Haddad** (Australia) said that the best way to foster employment creation was through economic growth driven by the private sector. In developing countries, the private sector was responsible for 90 per cent of jobs, 60 per cent of investment and more than 80 per cent of government revenue. It was therefore important to engage directly with that sector in order to advance development. For example, Australia's "aid for trade" policy was connecting businesses in developing countries to regional and global supply chains. Private sector development would require the creation of domestic environments that supported growth while generating development opportunities for all. Under Australia's leadership, members of the Group of 20 (G20) had in 2014 committed to growing their gross domestic product by an additional 2 per cent by 2018, which would add more than US$ 2 trillion to the global economy and generate millions of jobs around the world. However, new and creative ways to engage with the private sector were also needed. In that regard, her Government had recently launched the "innovationXchange" initiative to spur innovation and collaboration, including through partnership with the private sector, across the country's aid programme.

40. Growth and employment opportunities must be fairly distributed. An estimated US$ 50 billion per year was lost in the Asia-Pacific regional alone as a result of women's limited access to jobs. G20 countries had committed to bringing 100 million more women into the labour force by 2025, which would decrease the gender gap by 25 per cent. Policies to support economic growth and employment creation must be underpinned by quality education and health care as well as stable and transparent public institutions and broad tax bases.

41. **Mr. Fowlie** (International Telecommunication Union (ITU)) said that providing universal, affordable access to information and communication technologies (ICTs) had the potential for significant impact in terms of economic growth and employment creation, but the gap between the developed and developing world in terms of access to and the affordability of ICTs, while narrowing, remained significant, with 66 per cent of those in developing countries still unable to access the Internet. A notable benefit of equitable access to technology would be increased opportunities for women and youth. Currently 200 million fewer women than men enjoyed access to the Internet, but it was estimated that bringing 600 million additional women and girls online could boost global GDP by US$ 4 to $6 billion. Youth, who were early adopters of technology as well as the drivers of growth and innovation in the sector, would benefit from better training opportunities and access to capital and markets. Effecting the necessary changes would require capacity-building programmes, such as digital literacy training, to enable people to use, create and innovate with technology.

42. To maximize its potential, technology must be better integrated into policy frameworks. The achievement of the sustainable development agenda would depend significantly on how well digital technologies were employed as a means of both implementation and evaluation. ITU therefore proposed that the theme of the Council's 2016 integration segment should be "harnessing digital technologies for sustainable development".

43. **Ms. Djacta** (United Nations Human Settlements Programme (UN-Habitat)) said that employment

creation and decent work were closely related to sustainable urbanization, as cities now generated up to 80 per cent of jobs and global GDP. Very few countries had achieved sustained economic growth, rapid social development and gender equality without urbanization. However, the economic potential of cities was constrained by social inequity resulting from prohibitive living costs as well as widespread unemployment, underemployment, unstable and low-paid jobs, informal income-generating activities and substandard working conditions.

44. UN-Habitat supported strategies and policies that strengthened the capacity of cities to drive national economic growth, combat extreme poverty, generate opportunities for decent work and strengthen social cohesion. It developed and disseminated integrated approaches to improving urban productivity, competitiveness and inclusive economic growth by building local capacities in partnership with local urban authorities, community leaders, the private sector and other stakeholders. Policies at the city and national levels should focus on good urban form, density and connectivity; investment in education and skills; investment in housing, infrastructure and renewable energy; and the creation of a business environment that promoted investment, entrepreneurship and innovation. Urban authorities should introduce policies to improve the productivity of the informal sector rather than try to suppress it. Mechanisms to support small businesses and the self-employed were also extremely important.

45. UN-Habitat had designed and implemented innovative programmes for youth, who largely dwelt in cities and were three times more likely to be unemployed than adults. The post-2015 development agenda and the New Urban Agenda to be adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in 2016 would provide opportunities to harness the economic potential of cities, integrating and balancing the social, economic and environmental dimensions of sustainable development. Promoting urban employment, including for urban youth, should be a key element of the debate.

46. **Mr. Maseli** (United Nations Industrial Development Organization (UNIDO)) said that good-quality jobs were those that provided economic empowerment through reliable income, decent wages and social protection. Such jobs also needed to address the growing income gap, which was an issue of concern in developed and developing countries alike, and provide greater opportunities for youth and women to participate in the labour market. The challenges faced by many States included jobless economic growth, the concentration of employment in informal and rural activities with a low-skills base and low pay, employment that did not provide social protection or worker security, the exclusion of youth and women from employment opportunities and the failure of education systems to equip graduates with the skills sought on the labour market. Those challenges could not be overcome without industrialization.

47. The majority of the workforce in developing countries was employed in the agricultural and services sector, where productivity growth often remained stagnant. Unfortunately, in cases where developing countries had recently experienced rapid economic growth, it was often as a result of the export of raw commodities. In the absence of local industrial processing, the demand for highly skilled workers was largely created in countries with more developed economies, while local job markets only saw an increased demand for lower-skilled and, to a lesser extent, medium-skilled workers. The root of the problem was a persistent lack of structural transformation of the economies of many developing countries.

48. The capacity to add value at the domestic level would increase productivity, diversify economies and generate employment opportunities. Industrialization also led to growth and, therefore, increased employment in other sectors such as agriculture and manufacturing-related services. It was the most efficient means of transitioning from an informal to a formal economy. Skilled jobs also tended to provide better salaries, social protection and worker security. Furthermore, manufacturing stimulated research and development, scientific and technological innovation and entrepreneurship, all of which provided opportunities for youth and women.

49. In conclusion, he said that UNIDO stood ready to support Governments in their efforts to achieve sustainable development through employment creation and decent work by means of socially inclusive and environmentally sustainable industrialization.

The meeting rose at 1.15 p.m.

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Integration segment

Summary record of the 20th meeting
Held at Headquarters, New York, on Tuesday, 1 April 2015, at 3 p.m.

President: Mr. Drobnjak (Vice-President) ..... (Croatia)

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In the absence of Mr. Sajdik (Austria), Mr. Drobnjak (Croatia), Vice-President, took the Chair.

The meeting was called to order at 3.10 p.m.

Achieving sustainable development through employment creation and decent work for all (*continued*)

1. *A panel discussion on the topic "Means of implementation: Financing for development and partnerships for decent work", moderated by Mr. George Wilfred Talbot (Permanent Representative of Guyana to the United Nations and Co-Facilitator of the preparatory process for the third International Conference on Financing for Development),was held. The panellists were Ms. Rania Antonopoulos (Alternate Minister of Labour and Social Solidarity, Greece), speaking via video link; Mr. Robert Shiller (Nobel Laureate and Professor of Economics, Yale University); and Mr. Martin Khor, (Executive Director, the South Centre) and the discussant was Mr. Richard Kozul-Wright (Director, Division on Globalization and Development Strategies, United Nations Conference on Trade and Development). The panellists and the discussant made presentations and an interactive discussion ensued, during which the panellists and the moderator responded to comments and questions by the representatives of Botswana and Germany.*

The meeting was suspended at 4.20 p.m. and resumed at 4.25 p.m.

Panel discussion: "Wanted: 600 million jobs!"

2. **The President** said that 600 million jobs must be created in order to close the employment gap. That was a challenge for Governments, the United Nations system, trade unions, civil society and the private sector, which all needed to step up their job creation efforts while also promoting environmental sustainability.

3. **Mr. Velshi**, (Host, Al Jazeera America), moderator, said that creating jobs and enhancing global prosperity constituted one of the most serious challenges facing the international community and the United Nations. It was widely believed that job creation could, by itself, resolve many of the world's problems; it would alleviate a general sense of desperation and reward people for seeking to enhance their knowledge and skills. In that connection, he invited Mr, Mora, Minister of Foreign Trade, Costa Rica, to provide details of his Government's ambitious job creation plan and asked whether the Costa Rican Government had faced criticism for its efforts to promote employment.

4. **Mr. Mora** (Minister of Foreign Trade, Costa Rica), panellist, said that although his country's gross domestic product (GDP) had tripled in the previous 20 years, unemployment levels had risen over the same period and poverty remained entrenched. To tackle those issues, the Costa Rican Government was placing greater emphasis on developing overlooked, more traditional sectors of the economy, revising its domestic regulatory frameworks on competitiveness and worker and consumer protection, and enhancing the country's education system so that young people gained the skills needed by employers. The Government hoped to reverse the upward trend in unemployment within 12 months, and aimed to reduce unemployment by 25 per cent. To achieve that objective, Costa Rica was, inter alia, launching high-level public-private partnerships, implementing pro-employment macroeconomic policies and promoting entrepreneurship. It would shortly be applying for membership in the Organization for Economic Cooperation and Development (OECD), with which it was working closely to improve the national education system, and was working to enhance its oversight and the quality of jobs offered by micro-, small, and medium-sized enterprises.

5. **Mr. Velshi**, (Host, Al Jazeera America) said that he was struck by the fact that rapid GDP growth did not necessarily lead to employment gains. He asked Ms. Nadeau for her views on that and how changes in energy prices and, in particular, oil prices, could impact job creation.

6. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada), panellist, said that although lower oil prices had boosted economic growth in some countries, certain energy-producing States were struggling to balance their budgets as revenues fell and were finding it increasingly difficult to provide key education and health services. The world economy was likely to become much less fossil-fuel dependent in the coming decades and the World Energy Council believed that between 20 and 30 per cent of the world's energy would be generated from renewable sources by 2050, up from the present 15 per cent. The shift to renewable

energy generation would create some 20 million jobs by 2030, with engineers, technicians, project managers, financial officers, construction personnel and many other skilled workers in high demand. Many countries, including China, Denmark, Germany and the United States, had already established extensive renewable energy sectors and countries that wished to do likewise must formulate robust, predictable and clear national energy policies, including policies to spur domestic renewable energy sector investment.

7. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India), panellist, said that 70 per cent of the world's jobs were to be found in the private sector. Of those, 1 billion jobs were in agriculture. It should be borne in mind, however, that 400 million of the world's 525 million farms were less than 2 hectares in size and, though they were small, subsistence farms produced half of global food output. Their productivity remained low, however, and was likely to be adversely impacted by the effects of climate change. It was disconcerting, therefore, that so much emphasis was being placed on developing high-tech economic sectors with a push, often supported by Government subsidies, to transition developing countries' economies away from smallholder farms. That was a risky strategy which could potentially destroy several hundred million agricultural sector jobs. Countries must realize that industrialization was no magic bullet that could cure all economic ills: although the information technology sector had created 6 million jobs, and the automobile industry some 4.5 million, those figures could not be increased sufficiently to absorb hundreds of millions of unemployed subsistence farm workers.

8. Policymakers must understand that the world simply didn't need a billion software engineers or luxury car manufacturers. Instead, countries should focus on increasing the productivity of their smallholder farms, including by encouraging them to adopt simple cost-effective technologies such as multi-cropping and low-impact tillage. Indeed, studies had shown that, by adopting such strategies, the average smallholder farm could increase yields by over 70 per cent. Unless steps were taken to support smallholder farming jobs, countries could witness dramatic increases in their rates of poverty and malnutrition.

9. **Mr. Rajan** (Chief Human Resources Officer and member of the Group Executive Council, Tata Group, India), panellist, said that a society that systematically exploited one section of the population for the benefit of another could never aspire to be free and growing. Industries must acknowledge that they owed their existence to the community and that, in a society built on free enterprise, the community was not merely another stakeholder but rather the very purpose for their existence. Since the early decades of its existence, the Tata Group had provided childcare facilities and schools to facilitate women's employment in its factories, and had developed innovative profit sharing mechanisms which gave workers a stake in the company they worked for. The Tata Group employed 60,000 people in some 140 countries, and approximately 66 per cent of the equity capital of Tata Sons, the principal Tatar Group holding company, was held by philanthropic trusts.

10. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada) said that some 1.2 billion people had no access to modern sources of energy. Women, children and young people were particularly harmed by inadequate energy access, which impeded job creation and the provision of sanitation, education and health-care services. It was crucial for Governments to work with business to train the skilled workers needed to install necessary infrastructure so that all people, regardless of where they lived, could enjoy access to energy.

11. **Mr. Velshi**, (Host, Al Jazeera America) asked Mr. Mora how the Costa Rican Government intended to create jobs while also taking steps to become carbon neutral by 2021, and whether it was indeed possible to create jobs, particularly for women, while also safeguarding the environment.

12. **Mr. Mora** (Minister of Foreign Trade, Costa Rica) said that strengthening the green economy was good for both the planet and individual countries. Costa Rica, which had achieved 99.8 per cent electricity penetration, had been obtaining all its energy needs from renewable energy sources for almost three months. Furthermore, to achieve carbon neutrality, Costa Rica had set aside 20 per cent of its total land area as protected forest. An additional 20 per cent was protected in one way or another. Public sector bodies, private companies and citizens were all encouraged to invest in projects to restore and preserve natural environments. Initiatives were also under way to protect forest fauna in Costa Rica. All those steps

had a direct impact on employment; some 11 per cent of jobs in Costa Rica were now in ecotourism and related fields. Costa Rica had also launched projects to safeguard its marine environments, which were expected to create sorely needed jobs in coastal communities.

13. **Mr. Velshi**, (Host, Al Jazeera America) said that some people believed that laws and regulations on workers' pay and conditions hindered job creation and, in a world that needed 600 million jobs, there were increasing calls for less stringent worker safeguards. He asked what long-term effect that was likely to have on workers' rights and on their ability to negotiate fair wages.

14. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that the private sector must remain profitable or it would no longer be able to employ 70 per cent of the global workforce. Corporations would continue to play a critical role, yet the challenge was to ensure that, in addition to their profit motive, corporations had a social purpose and served the community; that was still far from being the norm. Efforts must therefore be made to change the corporate environment, inter alia, by adopting policies that encouraged corporations to take their social responsibilities seriously. That was crucial as job losses could occur over the longer term if they failed to do so. It was particularly important to adopt tax regimes that rewarded hard work, cooperative ingenuity and innovation, the key drivers of growth, and penalized behaviour and actions that were harmful to society, such as the consumption of non-renewable energy resources.

15. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada) said that political electoral cycles of four or five years meant that there was often little incentive to adopt socially and environmentally responsible policies and tax regimes whose benefits would not be seen for some 15 or 20 years. Even efforts to adopt a global carbon tax — which the majority of global industrialists would actually support — had been derailed because of insufficient political will.

16. **Mr. Velshi**, (Host, Al Jazeera America) asked how it was possible for corporations to safeguard workers' rights while ensuring that the goods and services they produced remained competitively priced.

17. **Mr. Rajan** (Chief Human Resources Officer and member of the Group Executive Council, Tata Group, India) said that corporations could actually become more profitable by adopting socially responsible policies. For example, since women's participation in the global workforce remained low, companies that made an extra effort to hire women would be accessing a vast pool of untapped labour. If the most marginalized or poorest members of society were given jobs, the multiplier effect of their wages could have a startling effect on a country's GDP. It was, moreover, important that companies supported their supply chains. To that end, the Tata Group provided training and consultancy services to its suppliers to boost both productivity and quality. In turn, that benefited the Tata Group as a whole. The Tata Group also believed that it had a responsibility to support marginalized communities through affirmative action, and ran education programmes to enhance the employability of the poor and encourage entrepreneurship.

18. **Mr. Velshi**, (Host, Al Jazeera America) asked what steps could be taken to increase women's participation in the workforce and narrow pay gaps between women and men.

19. **Mr. Mora** (Minister of Foreign Trade, Costa Rica) said that his country had already made significant progress in promoting women's employment; at the Ministry of Foreign Trade, for example, 72 per cent of the staff were women. Countries must focus on improving their education systems in order to boost women's pay and workforce participation rates. Costa Rica planned to be spending 8 per cent of its GDP on education by 2018 and would adopt a holistic approach to ensure that funds was used effectively to improve national education standards. Governments, international organizations and the private sector had all learned useful lessons on how to promote women's employment and should seek to share best practices in that area.

20. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada) said that good will alone was not enough to bridge the gender gap: instead, supportive legislation and infrastructure for women were needed. Efforts must also be made to combat cultural norms that discouraged women from working once they married or had children. Gender equality could not be achieved overnight, but would require sustained support from all stakeholders.

21. **Mr. Velshi** (Host, Al Jazeera America) noted that Scandinavian countries had adopted robust legal frameworks to promote women's rights and their participation in business and industry. As a result, those countries had some of the world's highest female workforce participation rates. Some claimed, however, that women's workforce participation rates and salaries lagged behind those of men only because women's and men's priorities differed, with women making different life and career choices as a result. He asked how such stereotypes could be overcome.

22. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that although some corporations were taking steps to hire and promote more women, legislation to mandate women's participation on company boards and promote women's education and training was also necessary. Robust monitoring mechanisms were also needed to ensure that policies on gender were implemented effectively by companies. Although some companies made great efforts to promote the interests of women and honour what they believed were their social responsibilities, much of what they did went unreported or unmeasured. Balance sheets, share prices and shareholder returns provided only a partial measure of a company's performance. A new measure of performance was needed that would also take into account and quantify the human, social and natural capital that companies developed or destroyed. Furthermore, accounting methodologies and standards needed to be amended to reflect the true impact and performance of corporations.

23. **Mr. Rajan** (Chief Human Resources Officer and member of the Group Executive Council, Tata Group, India) said that Tata had always believed that corporations must take the initiative in promoting social responsibility and should not wait for laws to be adopted forcing them to do so. In the past, Government red tape had hindered efforts by the Tata Group to promote social responsibility; it was essential that Governments and corporations worked closely together to draw up appropriate regulations in that regard. The Tata Group was pressing ahead with initiatives to promote diversity in the workforce and women's employment, and aimed to increase the number of women in senior management positions from 350 to 1,000 by 2020.

24. **Mr. Velshi** (Host, Al Jazeera America) asked whether Governments should be partnering with companies to enhance workers' skills.

25. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada) said that it was probable that energy sector companies would need large numbers of highly skilled workers in the future. By themselves, Governments would find it difficult to identify areas in which future job growth was likely and the skills that workers would have to acquire to take advantage of new jobs; input from industry and other private sector stakeholders would prove vital if Governments were to successfully anticipate future labour trends.

26. **Mr. Mora** (Minister of Foreign Trade, Costa Rica) said that his country had established a council that brought together representatives from six government ministries and the public and private sectors to promote employment and enhance productivity. Inter alia, the council was working with industry to draw up a certification scheme for young people who received industrial training. Costa Rica was well aware that input from the private sector was crucial in its efforts to promote employment.

27. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that although many companies created significant human capital through their training and other support programmes, there was little acknowledgement of the huge contribution made in that area by the private sector and little support was provided by Governments for companies' human capital creation initiatives. Nonetheless, a few Governments did understand the importance of supporting the private sector in that area. Moreover, Germany had developed a superbly structured education system that provided young people with the skills needed by the labour market. In general however, Governments felt they had little incentive to support companies' efforts to create human capital, and often adopted tax regimes that hampered the creation of human capital and other long-term returns to society.

28. **Mr. Velshi** (Host, Al Jazeera America) asked how Costa Rica responded to criticism that it had failed to consult adequately with the private sector in its efforts to create jobs.

29. **Mr. Mora** (Minister of Foreign Trade, Costa Rica) said that his Government welcomed criticism of its policies and had now established mechanisms to address complaints regarding Costa Rica's job creation initiatives. It was hoped that those mechanisms would facilitate dialogue between all relevant stakeholders.

30. **Mr. Shiller** (Nobel Laureate and Professor of Economics, Yale University) asked the panellists for their views on benefit corporations, which were corporate entities in the United States that included positive impact on society and the environment in addition to profit as their legally defined goals, and asked whether other countries were encouraging the establishment of similar corporations.

31. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that benefit corporations were a positive development. He cautioned, however, that multinationals operated under numerous national jurisdictions and it would take considerable time for all States to put in place legislation to mandate companies to implement social responsibility initiatives. In the United States, for example, many state legislatures had still not adopted legislation to allow for the establishment of benefit corporations. Concerned stakeholders should therefore encourage companies to take the initiative themselves, redesigning themselves as benefit corporations, rather than waiting for the adoption of relevant legislation.

32. **Ms. Kage** (Germany) said that India had recently passed far-reaching legislation to reform its apprenticeship system to enhance the employability of young people. She asked whether that was a positive development and what the main ingredients of a successful apprenticeship programme should be.

33. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that under India's new Corporate Social Responsibility Law, all large Indian companies had to spend 2 per cent of their profits on corporate social responsibility initiatives, including in areas such as rural development and women's rights and livelihoods. Traditional corporate activities would not meet that requirement whereas hiring apprentices and funding training programmes were eligible for consideration in view of the human capital they created. While the effect of the new law was not yet clear, it had a huge potential impact because only 10 of the top 200 Indian corporations already allocated 2 per cent to corporate social responsibility initiatives.

34. **Mr. Mora** (Minister of Foreign Trade, Costa Rica) said that although large corporations operated very differently from Governments, Costa Rica had proven that it was possible for Governments and the private sector to reach consensus on ways to address pressing national issues.

35. **Ms. Nadeau** (Chair, World Energy Council, and Executive Vice-President of Corporate Affairs and Secretary General, Hydro-Québec, Canada) said that providing access for all people to modern forms of energy would significantly boost prosperity, economic growth and job creation. However, falling government revenues in many States meant that they were finding it increasingly difficult to support access to sustainable and resilient energy systems; private capital was therefore required to bridge funding gaps. Business, industry and Governments would need to work together to draw up appropriate regulations to provide necessary safeguards while also encouraging private sector investment in energy.

36. **Mr. Sukhdev** (Founder and Chief Executive Officer, GIST Advisory, India) said that, to rise to the challenge posed by unemployment, policymakers needed to take a long-term view, and must not merely think in terms of four- or five-year electoral cycles. They must also ensure that incentives were in place to encourage long-term engagement in job creation by the private sector.

37. **Mr. Rajan** (Chief Human Resources Officer and member of the Group Executive Council, Tata Group, India) said that the need to create some 600 million jobs posed a huge challenge to stakeholders. That goal could be achieved only if policymakers and the private sector worked closely together. To encourage such collaboration, India had, inter alia, established the Nationalist Skill Development Corporation, a public-private partnership, which was directly supported by the Prime Minister.

The meeting was suspended at 5.40 p.m. and resumed at 5.45 p.m.

Conclusion of the segment

38. **Mr. Ryder** (Director-General, International Labour Organization) said that several powerful messages had emerged during the integration segment.

The President of the United Republic of Tanzania had stressed that robust economic growth was not sufficient to deliver sustainable development or decent work for all; the Prime Minister of the Bahamas had expressed concern about the impact of climate change on sustainable development; and the Prime Minister of Sweden had outlined his vision for a new Global Deal involving business, labour, Governments and key international institutions to promote growth, jobs and decent work. The Council's discussion of the macroeconomics of sustainable development had highlighted the need to increase demand in countries' economies; undertake structural reforms; combat rising income inequality; formalize the informal work performed by so many of the world's workers; tackle climate change; reaffirm the normative basis of the Council's operational work, in particular with respect to international labour standards; invest in infrastructure; and realize the potential of young people by equipping them with the right skills to meet the needs of today's job markets and engage in entrepreneurship. All those issues were relevant to the ongoing United Nations negotiations on the sustainable development goals, on financing for development and on climate change, as well as the work of the International Labour Organization. In reviewing how promoting decent work could support sustainable development, the Council had underscored the importance of policy integration in efforts to create 600 million jobs and eradicate poverty, and the need for robust financial, environmental, trade, fiscal, monetary, employment and social policies, which it was ideally placed to coordinate at the global level.

39. **Mr. Gass** (Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs, Department of Economic and Social Affairs) said that the integration segment of the Council had become a unifying platform for Member States, the United Nations system and others to debate policy options for the integration of the social, economic and environmental dimensions of sustainable development. In that spirit, the focus had been on proposed sustainable development goal 8 while taking into account specific targets under other proposed sustainable development goals.

40. Over the previous three days, the segment had underscored the central position employment creation and decent work played in the implementation of the post-2015 development agenda, and had highlighted the need to get people back to work, ways to boost sustainable global economic growth and job creation, and strategies for building a competitive workforce to address the skills gap. The segment had also drawn attention to the link between unemployment and social unrest. Policy choices had both trade-offs and long-term benefits, and must be addressed in an integrated manner if the international community was to successfully implement the post-2015 development agenda. A shared vision for humanity was emerging that would require everyone to participate both as beneficiaries and contributors. The integration segment and the Council should continue to provide a critical transverse perspective of the myriad aspects of sustainable development.

41. **The President** said that he had been encouraged and inspired by the innovative ideas presented during the integration segment for achieving sustainable development through employment creation and decent work for all. The segment had inspired a number of concrete policy recommendations and action-oriented solutions to promote policy coherence in the economic, social and environmental dimensions of sustainable development and would provide additional food for thought in the elaboration of the post-2015 development agenda.

42. Economic growth had not generated jobs as expected due to insufficient demand. Efforts should therefore be made to estimate aggregate demand through financial and tax policies; carbon and financial transaction taxes, for example, could help stimulate the economy. Achieving policy coherence was at the core of sustainable development for all; interrelated issues, such as decent work, poverty eradication, industrialization, women's empowerment and the promotion of trade and investment should be addressed in an integrated manner. For Africa, infrastructure and industrialization were critical for economic growth and job creation. In the global quest for 600 million new jobs, Africa must have its fair share.

43. Making dignity and prosperity the norm in labour markets was not just ethically right, but also good for business. For effective social dialogue, respect for the fundamental rights of freedom of association and collective bargaining was essential. Trade unions could play a crucial role in promoting decent work; new innovative forms of social dialogue, drawing on the participation of trade unions, civil society, Governments and businesses, were needed to adequately address emerging challenges in the twenty-

first century. Indeed, the Council should consider launching such a dialogue. Efforts should also be made to strengthen social protections and job security for those working in the informal economy and, in view of the key role that women played in spurring growth, to increase women's participation in the labour market. Young people must, moreover, be equipped with the right skills and education to meet the needs of modern job markets.

44. Since environmental sustainability and job creation were mutually reinforcing, transitioning to more environmentally sustainable approaches could have a positive impact on job creation, quality and productivity; efforts must be made to ensure that the transition to a green economy was a just transition for workers. Governments needed to adopt policies that incentivized investment in sustainable development and job creation, and should partner with the private sector, development banks, entrepreneurs and multilateral organisations to advance progress. Fostering inclusive growth required transparency, a just and efficient tax system, international cooperation and smarter aid to spur investment and create an enabling environment. Policymakers must also encourage business-oriented risk-taking by putting in place financial arrangements to support long-term investment.

45. To provide follow-up to the outcome of the integration segment, he was working with the Director-General of the International Labour Organization to launch a global network of stakeholders on employment creation and decent work for sustainable development. Consultations with potential members of that network were under way. The discussions and recommendations of the integration segment, which would be made available on the Council website, would serve as an important contribution to the high-level segment of the Council, including the high-level political forum on sustainable development, convened under its auspices.

46. In conclusion, he welcomed the proposal to make "harnessing digital technologies for sustainable development" the theme of the 2016 integration segment. That proposal, put forward by the representative of the International Telecommunication Union at the previous meeting, would be carefully considered by the Bureau.

The meeting rose at 6 p.m.

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Second coordination and management meeting

Summary record of the 21st meeting
Held at Headquarters, New York, on Wednesday, 8 April 2015, at 10 a.m.

President: Mr. Oh Joon (Vice-President) ..... (Republic of Korea)

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Elections, nominations, confirmations and appointments

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In the absence of Mr. Sajdik (Austria), Mr. Oh Joon (Republic of Korea), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Elections, nominations, confirmations and appointments (E/2015/1/Add.1)

International Narcotics Control Board (E/2015/9/Add.1)

1. **The President** invited the Council to elect one member of the International Narcotics Control Board to fill a vacancy arising from the resignation of Mr. Wayne Hall (Australia). There were three candidates nominated by the World Health Organization to fill the seat for a term beginning on the date of election and expiring on 1 March 2017. As the number of candidates exceeded the number of vacancies, he invited the Council to elect the member by secret ballot.

2. *At the invitation of the President, Ms. Sotindjo Loko (Benin) and Ms. Russo (United Kingdom) acted as tellers.*

3. *A vote was taken by secret ballot.*

Number of ballot papers:	53
Number of valid ballots:	53
Number of members voting:	53
Required majority:	27
Number of votes obtained:	
Mr. **Mattick** (Australia)	26
Mr. **Obot** (Nigeria)	26
Mr. **White** (Australia)	1

4. **The President** said that since no candidate had obtained the required majority of votes, in accordance with rule 69, paragraph 1, of the rules of procedure of the Council, a second ballot would be taken, confined to the two candidates that had obtained the largest number of votes, Mr. Mattick (Australia) and Mr. Obot (Nigeria).

5. *At the invitation of the President, Mr. Auväärt (Estonia) and Ms. Carías (Honduras) acted as tellers.*

6. *A vote was taken by secret ballot.*

Number of ballot papers:	54
Number of valid ballots:	54
Number of abstentions:	1
Number of members voting:	53
Required majority:	27
Number of votes obtained:	
Mr. **Mattick** (Australia)	27
Mr. **Obot** (Nigeria)	26

7. *Having obtained the required majority, Mr. Mattick (Australia) was elected to fill the vacancy on the International Narcotics Control Board for a term beginning on the date of election and expiring on 1 March 2017.*

Statistical Commission (E/2015/9)

8. **The President** invited the Council to elect eight members of the Statistical Commission for a four-year term beginning on 1 January 2016.

9. **Ms. de Laurentis** (Secretary of the Council) said that Kenya and Togo had been endorsed by the Group of African States; Qatar and the Republic of Korea had been endorsed by the Group of Asia-Pacific States; Latvia and Romania had been endorsed by the Group of Eastern European States; and Cuba had been endorsed by the Group of Latin American and Caribbean **States**.

10. **The President** said that, since the number of candidates from African States, Asia-Pacific States, Eastern European States and Latin American and Caribbean States was equal to the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

11. *Cuba, Kenya, Latvia, Qatar, the Republic of Korea, Romania and Togo were elected members of the Statistical Commission by acclamation.*

12. **The President** said that in the absence of any other candidates for election to the Statistical Commission, he took it that the Council wished to postpone the election of one member from the Western European and other States for a four-year term beginning on 1 January 2016.

13. *It was so decided.*

Commission on Population and Development (E/2015/9)

14. **The President** invited the Council to elect nine members of the Commission on Population and Development for a four-year term beginning at the first meeting of the Commission's fiftieth session in 2016 and expiring at the close of its fifty-third session in 2020.

15. **Ms. de Laurentis** (Secretary of the Council) said that Morocco, Sudan and Uganda had been endorsed by the Group of African States; Qatar and Turkmenistan had been endorsed by the Group of Asia-Pacific States; the Republic of Moldova had been endorsed by the Group of Eastern European States; and Chile had been endorsed by the Group of Latin American and Caribbean States.

16. **The President** said that, since the number of candidates from African States, Asia-Pacific States, Eastern European States and Latin American and Caribbean States was equal to the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

17. *Chile, Morocco, Qatar, the Republic of Moldova, Sudan, Turkmenistan and Uganda were elected members of the Commission on Population and Development by acclamation.*

18. **The President** said that, in the absence of any other candidates for election to the Commission on Population and Development, he took it that the Council wished to postpone the election of two members from Western European and other States for a term beginning at the first meeting of the Commission's fiftieth session in 2016 and expiring at the close of the Commission's fifty-third session in 2020.

19. *It was so decided.*

20. **The President** invited the Council to take action on outstanding vacancies on the Commission on Population and Development from Asia-Pacific States, for a term beginning on the date of election and expiring at the close of the Commission's fiftieth session in 2017, and from Latin American and Caribbean States, for a term beginning on the first meeting of the Commission's forty-ninth session in 2015 and expiring at the close of the Commission's fifty-second session in 2019.

21. **Ms. de Laurentis** (Secretary of the Council) said that Iraq had been endorsed by the Group of Asia-Pacific States and Jamaica had been endorsed by the Group of Latin American and Caribbean States.

22. **The President** said he took it that the Council wished to elect them by acclamation.

23. *Iraq and Jamaica were elected members of the Commission on Population and Development by acclamation.*

24. **The President**, urging the regional groups concerned to submit their nominees for vacancies at the earliest opportunity, said that he took it that the Council wished to further postpone the election of one candidate from Asia-Pacific States and one from Latin American and Caribbean States, both for terms beginning on the date of election and expiring at the close of the Commission's forty-ninth session in 2016.

25. *It was so decided.*

Commission for Social Development (E/2015/9)

26. **The President** invited the Council to elect 15 members of the Commission for Social Development for a four-year term beginning at the first meeting of the Commission's fifty-fifth session in 2016 and expiring at the close of the Commission's fifty-eighth session in 2020.

27. **Ms. de Laurentis** (Secretary of the Council) said that Ghana and Rwanda had been endorsed by the Group of African States; Bangladesh, Japan and the Republic of Korea had been endorsed by the Asia-Pacific States; the Republic of Moldova and the Russian Federation had been endorsed by the Group of Eastern European States; and El Salvador, Paraguay and Peru had been endorsed by the Group of Latin American and Caribbean States.

28. **The President** said that, since the number of candidates from African States, Asia-Pacific States, Eastern European States and Latin American and Caribbean States was equal to or less than the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

29. *Bangladesh, El Salvador, Ghana, Japan, Paraguay, Peru, the Republic of Korea, the Republic of Moldova, the Russian Federation and Rwanda were elected members of the Commission for Social Development by acclamation.*

30. **The President** said that, in the absence of any other candidates for election to the Commission for Social Development, he took it that the Council wished to postpone the election of two members from African States and three members from Western European and other States for terms beginning at the first meeting of the Commission's fifty-fifth session in 2016 and

expiring at the close of the Commission's fifty-eighth session in 2020.

31. *It was so decided.*

32. **The President** invited the Council to take action on the outstanding vacancies on the Commission for Social Development from Western European and other States, for a term beginning on the date of election and expiring at the close of the Commission's fifty-seventh session in 2019.

33. **Ms. de Laurentis** (Secretary of the Council) said that Austria had been endorsed by the Group of Western European and other States.

34. **The President** said he took it that the Council wished to elect the candidate by acclamation.

35. *Austria was elected a member of the Commission for Social Development by acclamation.*

36. **The President**, urging the regional groups concerned to submit their nominees for vacancies at the earliest possible opportunity, noted that there were five outstanding vacancies on the Commission for Social Development. They included four from Western European and other States, all for terms beginning on the date of election, with one term expiring at the close of the fifty-fourth session in 2016, one term expiring at the close of the fifty-fifth session in 2017, and two terms expiring at the close of the fifty-seventh session in 2019; and one from Eastern European States for a term beginning on the date of election and expiring at the close of the Commission's fifty-seventh session in 2019.

Commission on the Status of Women (E/2015/9)

37. **The President** invited the Council to elect 10 members of the Commission on the Status of Women for a four-year term beginning at the first meeting of the Commission's sixty-first session in 2016 and expiring at the close of the Commission's sixty-fourth session in 2020.

38. **Ms. de Laurentis** (Secretary of the Council) said that Eritrea and Nigeria had been endorsed by the Group of African States; Kuwait and Qatar had been endorsed by the Group of Asia-Pacific States; the Russian Federation had been endorsed by the Group of Eastern European States; Brazil, Guatemala and Trinidad and Tobago had been endorsed by the Group of Latin American and Caribbean States; and Norway and the United Kingdom had been endorsed by the Group of Western European and other States.

39. **The President** said that, since the number of candidates was equal to the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

40. *Brazil, Eritrea, Guatemala, Kuwait, Nigeria, Norway, Qatar, the Russian Federation, Trinidad and Tobago and the United Kingdom were elected members of the Commission on the Status of Women by acclamation.*

41. **The President** said that the membership of the Commission on the Status of Women was complete.

Commission on Crime Prevention and Criminal Justice (E/2015/9)

42. **The President** invited the Council to elect 20 members of the Commission on Crime Prevention and Criminal Justice for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

43. **Ms. de Laurentis** (Secretary of the Council) said that Benin, Cameroon, Côte d'Ivoire and South Africa had been endorsed by the Group of African States; India, Iran (Islamic Republic of), Pakistan, the Republic of Korea and Saudi Arabia had been endorsed by the Group of Asia-Pacific States; Belarus and Serbia had been endorsed by the Group of Eastern European States; Brazil, Chile, Cuba, Guatemala and Mexico had been endorsed by the Group of Latin American and Caribbean States; and Austria, France, Sweden and the United States of America had been endorsed by the Group of Western European and other States.

44. **The President** said that since the number of candidates was equal to the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

45. *Austria, Belarus, Benin, Brazil, Cameroon, Chile, Côte d'Ivoire, Cuba, France, Guatemala, India, Iran (Islamic Republic of), Mexico, Pakistan, the Republic of Korea, Saudi Arabia, Serbia, South Africa, Sweden and the United States of America were elected members of the Commission on Crime Prevention and Criminal Justice by acclamation.*

46. **The President** said that the membership of the Commission on Crime Prevention and Criminal Justice was complete.

Committee for Programme and Coordination
(E/2015/9/Add.2)

47. **The President** invited the Council to nominate seven members for election by the General Assembly to the Committee for Programme and Coordination for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

48. **Ms. de Laurentis** (Secretary of the Council) said that the United Republic of Tanzania and Zimbabwe had been endorsed by the Group of African States; the Russian Federation had been endorsed by the Group of Eastern European States; Argentina and Peru had been endorsed by the Group of Latin American and Caribbean States; and France had been endorsed by the Group of Western European and other States.

49. **The President** said that since the number of candidates was equal to the number of vacancies for each regional group, he took it that the Council wished to nominate them for election by the General Assembly.

50. *It was so decided.*

51. *Argentina, France, Peru, the Russian Federation, the United Republic of Tanzania and Zimbabwe were nominated for election by the General Assembly to the Committee for Programme and Coordination.*

52. **The President** said that, in the absence of any other candidates for election to the Committee for Programme and Coordination for a three-year term beginning on 1 January 2016, he took it that the Council wished to postpone the nomination of one member from Western European and other States for election by the General Assembly.

53. *It was so decided.*

54. **The President** invited the Council to take action on one outstanding vacancy on the Committee for Programme and Coordination from Western European and other States.

55. **Ms. de Laurentis** (Secretary of the Council) said that Portugal had been endorsed by the Group of Western European and other States for a term beginning on the date of election by the General Assembly and expiring on 31 December 2017.

56. *It was so decided.*

57. *Portugal was nominated for election by the General Assembly to the Committee for Programme and Coordination.*

58. **The President**, urging the regional groups concerned to submit nominees for vacancies at the earliest opportunity, recalled that there were four outstanding vacancies on the Committee for Programme and Coordination: one from Western European and other States for a term expiring on 31 December 2015; and one from Asia-Pacific States and two from Western European and other States for terms expiring on 31 December 2017, with all terms beginning on the date of election by the General Assembly.

Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting
(E/2015/9/Add.3)

59. **The President** invited the Council to elect 13 members of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

60. **Ms. de Laurentis** (Secretary of the Council) said that Benin, Cameroon, Kenya and Uganda had been endorsed by the Group of African States; and Brazil had been endorsed by the Group of Latin American and Caribbean States.

61. **The President** said that since the number of candidates from African States and Latin American and Caribbean States was equal to or less than the number of vacancies for each regional group, he took it that the Council wished to elect them by acclamation.

62. *Benin, Brazil, Cameroon, Kenya and Uganda were elected members of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting by acclamation.*

63. **The President** said that, in the absence of any other candidates for election to the Intergovernmental Working Group of Experts, he took it that the Council wished to postpone the election of four members from Asia-Pacific States, two members from Eastern European States and two members from Latin American and Caribbean States for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

65. *It was so decided.*

66. **The President** recalled that there were 24 outstanding vacancies on the Intergovernmental Working Group of Experts to be filled by four candidates from Asia-Pacific States, two from Eastern European States and two from Latin American and Caribbean States for terms expiring on 31 December 2015, and four from African States, one from Asia-Pacific States, three from Latin American and Caribbean States and eight from Western European and other States for terms expiring on 31 December 2017; all those terms would begin on the date of election. He urged the regional groups concerned to submit their nominees for those vacancies at the earliest opportunity.

Committee for Development Policy (E/2015/9/Add.4)

67. **The President** invited the Council to consider the appointment of 24 experts to the Committee for Development Policy.

68. **Ms. de Laurentis** (Secretary of the Council) said that Jose Antonio Alonso (Spain), Giovanni Andrea Cornia (Italy), Le Dang Doanh (Viet Nam), Diane Elson (United Kingdom), Marc Fleurbaey (France), Sakiko Fukuda-Parr (Japan), Ann Harrison (United States of America), Rashid Hassan (Sudan), Stephan Klasen (Germany), Keun Lee (Republic of Korea), Lu Aiguo (China), Vitalii A. Meliantsev (Russian Federation), Adil Najam (Pakistan), Leonce Ndikumana (Burundi), Keith Nurse (Trinidad and Tobago), José Antonio Ocampo Gaviria (Colombia), Tea Petrin (Slovenia), Pilar Romaguera (Chile), Onalenna Selolwane (Botswana), Claudia Sheinbaum-Pardo (Mexico), Lindiwe Majele Sibanda (Zimbabwe), Zenebework Tadesse (Ethiopia), Dzodzi Tsikata (Ghana) and Juree Vichit-Vadakan (Thailand) had been nominated by the Secretary-General to serve on the Committee in their personal capacity.

69. **The President** said he took it that the Council approved the nomination by the Secretary-General of the 24 experts for a three-year term beginning on 1 January 2016.

70. *It was so decided.*

Executive Board of the United Nations Children's Fund (E/2015/9/Add.5)

71. **The President** invited the Council to elect 14 members of the Executive Board of the United Nations Children's Fund for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

72. **Ms. de Laurentis** (Secretary of the Council) said that Botswana, Cameroon, Ethiopia, Libya and Sierra Leone had been endorsed by the Group of African States; India, Iran (Islamic Republic of) and Nepal had been endorsed by the Group of Asia-Pacific States; Bosnia and Herzegovina had been endorsed by the Group of Eastern European States; El Salvador had been endorsed by the Group of Latin American and Caribbean States; and Australia, Denmark, Sweden and Switzerland had been endorsed by the Group of Western European and other States.

73. **The President** said that, since the number of candidates from all regional groups was equal to the number of vacancies, he took it that the Council wished to elect them by acclamation.

74. *Australia, Bosnia and Herzegovina, Botswana, Cameroon, Denmark, El Salvador, Ethiopia, India, Iran (Islamic Republic of), Libya, Nepal, Sierra Leone, Sweden and Switzerland were elected members of the Executive Board of the United Nations Children's Fund by acclamation.*

75. **The President** said that the Council had been informed that Germany, Norway and Spain were resigning their seats on the Executive Board effective 31 December 2015. The Group of Western European and other States had endorsed Andorra to complete the term of office of Germany, beginning on 1 January 2016 and expiring on 31 December 2016; Luxembourg, to complete the term of office of Norway, beginning on 1 January 2016 and expiring on 31 December 2017; and the United Kingdom to complete the term of office of Spain, beginning on 1 January 2016 and expiring on 31 December 2016.

76. *Andorra, Luxembourg and the United Kingdom were elected members of the Executive Board of the United Nations Children's Fund by acclamation.*

Executive Committee of the Programme of the United Nations High Commissioner for Refugees

77. **The President** invited the Council to elect four additional members to the Executive Committee of the Programme of the United Nations High Commissioner for Refugees in accordance with General Assembly resolution 69/153 of 18 December 2014.

78. **Ms. de Laurentis** (Secretary of the Council) said that the candidates were Armenia, Chad, Georgia and Uruguay.

79. **The President** said he took it that the Council wished to elect the candidates by acclamation.

80. *Armenia, Chad, Georgia and Uruguay were elected members of the Executive Committee of the Programme of the United Nations High Commissioner for Refugees by acclamation.*

Executive Board of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services (E/2015/9/Add.6)

81. **The President** invited the Council to elect 14 members of the Executive Board of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

82. **Ms. de Laurentis** (Secretary of the Council) said that Benin, Cameroon, Chad, Malawi and Uganda had been endorsed by the Group of African States; Lao People's Democratic Republic, Republic of Korea and Samoa had been endorsed by the Group of Asia-Pacific States; Belarus had been endorsed by the Group of Eastern European States; Haiti had been endorsed by the Group of Latin American and Caribbean States; and Austria, France, Japan and Spain had been endorsed by the Group of Western European and other States.

83. **The President** said that, since the number of candidates from all regional groups was equal to the number of vacancies, he took it that the Council wished to elect them by acclamation.

84. *Austria, Belarus, Benin, Cameroon, Chad, France, Haiti, Japan, Lao People's Republic, Malawi, Republic of Korea, Samoa, Spain and Uganda were elected members of the Executive Board of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services by acclamation.*

85. **The President** said that the Council had been informed that Australia, Denmark, Italy and the United Kingdom were resigning their seats on the Executive Board effective 31 December 2015. Belgium had been endorsed by their regional group to replace Australia; Canada had been endorsed to replace Denmark; and Turkey had been endorsed to replace the United Kingdom for terms of office beginning on 1 January 2016 and expiring on 31 December 2017. Switzerland had been endorsed to replace Italy for a term of office beginning on 1 January 2016 and expiring on 31 December 2016.

86. *Belgium, Canada, Switzerland and Turkey were elected members of the Executive Board of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services by acclamation.*

Executive Board of the World Food Programme (E/2015/9/Add.8)

87. **The President** invited the Council to elect six members of the Executive Board of the World Food Programme for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

88. **Ms. De Laurentis** (Secretary of the Council) said that Liberia had been endorsed by the Group of African States (List A); India had been endorsed by the Group of Asia-Pacific States (List B); the Netherlands and France had been endorsed by the Group of Western European and other States (List D); and the Russian Federation had been endorsed by the Group of Eastern European States.

89. **The President** said that, since the number of candidates from Lists A, B, D and E was equal to or less than the number of vacancies for States included in those lists, he took it that the Council wished to elect them to the Executive Board by acclamation.

90. *India, France, Liberia, the Netherlands and the Russian Federation were elected members of the Executive Board of the World Food Programme by acclamation.*

91. **The President** said that, in the absence of any other candidates for election to the Executive Board of the World Food Programme, he took it that the Council wished to postpone the election of one member from List B for a three-year term beginning on 1 January 2016.

92. *It was so decided.*

93. **The President** said that the Council had been informed that the Republic of Korea was resigning its seat on the Executive Board, effective 31 December 2015. The members of List B had endorsed China to replace the Republic of Korea for a term of office

beginning on 1 January 2016 and expiring on 31 December 2017. He took it that the Council wished to elect China by acclamation.

94. *China was elected a member of the Executive Board of the World Food Programme by acclamation.*

Committee for the United Nations Population Award (E/2015/9/Add.9)

95. **The President** invited the Council to elect 10 members of the Committee for the United Nations Population Award for a three-year term beginning on 1 January 2016.

96. **Ms. de Laurentis** (Secretary of the Council) said that Bangladesh and the Islamic Republic of Iran had been endorsed by the Group of Asia-Pacific States.

97. **The President** said that, since the number of candidates from Asia-Pacific States was equal to the number of vacancies, he took it that the Council wished to elect them by acclamation.

98. *Bangladesh and the Islamic Republic of Iran were elected members of the Committee for the United Nations Population Award by acclamation.*

99. **The President** said that, in the absence of any other candidates for election to the Committee for the United Nations Population Award, he took it that the Council wished to postpone the election of three members from African States, one member from Eastern European States, three members from Latin American and Caribbean States and one member from Western European and other States, all for a three-year term beginning on 1 January 2016.

100. *It was so decided.*

Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (E/2015/9/Add.10)

101. **The President** invited the Council to elect nine members of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

102. **Ms. de Laurentis** (Secretary of the Council) said that Ghana and Malawi had been endorsed by the Group of African States; China and Japan had been endorsed by the Group of Asia-Pacific States; the Russian Federation had been endorsed by the Group of Eastern European States; and Ecuador had been endorsed by the Group of Latin American and Caribbean States.

103. **The President** said that, since the number of candidates from African States, Asia-Pacific States, Eastern European States and Latin American and Caribbean States was equal to the number of vacancies, he took it that the Council wished to elect them by acclamation.

104. *China, Ecuador, Ghana, Japan, Malawi and the Russian Federation were elected members of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS by acclamation.*

105. **The President** said that, in the absence of any other candidates for election to the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS, he took it that the Council wished to postpone the election of three members from the Western European and other States for a three-year term beginning on 1 January 2016.

106. *It was so decided.*

Governing Council of the United Nations Human Settlements Programme (E/2015/9/Add.11)

107. **The President** invited the Council to elect 19 members of the Governing Council of the United Nations Human Settlements Programme for a four-year term beginning on 1 January 2016 and expiring on 31 December 2019.

108. **Ms. de Laurentis** (Secretary of the Council) said that Angola, Chad, Kenya and Nigeria had been endorsed by the Group of African States; Bahrain, India and Turkmenistan had been endorsed by the Group of Asia-Pacific States; Georgia and Serbia had been endorsed by the Group of Eastern European States; Brazil, Chile and Mexico had been endorsed by the Group of Latin American and Caribbean States; and Germany and Sweden had been endorsed by the Group of Western European and other States.

109. **The President** said that, since the number of candidates from all regional groups was equal to or less than the number of vacancies for each group, he took it that the Council wished to elect them by acclamation.

110. *Angola, Bahrain, Brazil, Chad, Chile, Georgia, Germany, India, Kenya, Mexico, Nigeria, Serbia, Sweden and Turkmenistan were elected members of the*

Governing Council of the United Nations Human Settlements Programme by acclamation.

111. **The President** said that, in the absence of any other candidates for election to the Governing Council, he took it that the Council wished to postpone the election of one member from African States, two members from Asia-Pacific States and two members from Western European and other States for a four-year term beginning on 1 January 2016.

112. *It was so decided.*

113. **The President** invited the Council to take action on outstanding vacancies in the Governing Council to be filled from Eastern European States.

114. **Ms. de Laurentis** (Secretary of the Council) said that Georgia and Serbia had been endorsed by the Group of Eastern European States.

115. **The President** said he took it that the Council wished to elect Georgia and Serbia, by acclamation, to the Governing Council for a term beginning on the date of election and expiring on 31 December 2015.

116. *Georgia and Serbia were elected members of the Governing Council of the United Nations Human Settlements Programme by acclamation.*

117. **The President**, urging the regional groups concerned to submit nominees for vacancies at the earliest opportunity, said he took it that the Council wished to further postpone the election of five members from Western European and other States, all beginning on the date of election, one for a term expiring on 31 December 2015, two for terms expiring on 31 December 2016 and two for terms expiring on 31 December 2018.

Permanent Forum on Indigenous Issues
(E/2015/1/Add.1)

118. **The President** invited the Council to consider an outstanding vacancy on the Permanent Forum on Indigenous Issues for a term beginning on the date of election and expiring on 31 December 2016. As there were no candidates for that vacancy, he took it that the Council wished to further postpone the election of one member from Asia-Pacific States for a term beginning on the date of election and expiring on 31 December 2016.

119. *It was so decided.*

Commission on Narcotic Drugs (E/2015/9)

120. **The President** invited the Council to elected 33 members to the Commission on Narcotic Drugs for a four-year term beginning on 1 January 2016.

121. **Ms. de Laurentis** (Secretary of the Council) said that Cameroon, the Democratic Republic of the Congo, Kenya, Mauritania, South Africa, Sudan and Uganda had been endorsed by the Group of African States; Afghanistan, China, Iran (Islamic Republic of), Japan, Pakistan, Qatar, the Republic of Korea and Thailand were non-endorsed candidates from Asia-Pacific States; Belarus had been endorsed by the Group of Eastern European States; Argentina, Ecuador, El Salvador, Guatemala, Mexico, Peru and Uruguay had been endorsed by the Group of Latin American and Caribbean States; and Austria, Germany, Israel, Italy, the Netherlands, Norway, Spain, Turkey and the United States of America had been endorsed by the Group of Western European and other States.

122. **The President** said that, since the number of candidates from African States, Eastern European States, Latin American and Caribbean States and Western European and other States was equal to or less than the number of vacancies for each regional group, he took it that the Council wished to elect the proposed candidates by acclamation.

123. *Argentina, Austria, Belarus, Cameroon, Democratic Republic of the Congo, Ecuador, El Salvador, Germany, Guatemala, Israel, Italy, Kenya, Mauritania, Mexico, the Netherlands, Norway, Pakistan, Peru, Qatar, South Africa, Spain, Sudan, Turkey, Uganda, the United States of America and Uruguay were elected members of the Commission on Narcotic Drugs by acclamation.*

124. **The President** said that, since the number of candidates from Asia-Pacific States was greater than the number of vacancies, he invited the Council to elect seven members from Asia-Pacific States by secret ballot.

125. **Ms de Laurentis** (Secretary of the Council) said that Afghanistan, China, Iran (Islamic Republic of), Japan, Pakistan, Qatar, the Republic of Korea and Thailand were the candidates from Asia-Pacific States.

126. **Mr. Dehghani** (Observer for the Islamic Republic of Iran) said that the Islamic Republic of Iran attached great importance to the work of the Commission and that the re-election of his country to

the Commission would be in the interest of the fight against narcotic drugs at the regional and international level.

127. Drug trafficking was a major challenge for Iran. Its location in the neighbourhood of the largest illicit opium and drug producers in the world and on the transnational routes for illegal traffic in narcotic drugs had unfortunately turned it into a major transit country. Iran had been engaged for a long time in full-fledged combat to root out trafficking in narcotic drugs. Iran had one of the strongest counter-narcotic enforcement capabilities in the world. According to the *World Drug Report 2014* issued by the United Nations Office on Drugs and Crime (UNODC), in 2012, Iran had been responsible for 74 per cent of the world's opium seizures and 25 per cent of the world's heroin and morphine seizures. It had paid a heavy price for that achievement, spending hundreds of millions of dollars each year on border control, including for construction of physical barriers along the borders with Afghanistan and Pakistan. The barriers had made drug smuggling more risky and difficult.

128. More than 3,700 national law enforcement officials had lost their lives, and over 12,000 had been maimed in counter-narcotic operations over the past three decades. Iran had mobilized more than 30,000 military and disciplinary troops along the borders with Afghanistan and Pakistan to counter narcotic trafficking. In its response to drug trafficking, Iran had the support of the United Nations agencies, and especially of UNODC. It worked closely with the UNODC country office. Iran's contributions to advancing international counter-narcotics policies and programmes and to border management capacities through national, regional and international initiatives had been repeatedly acknowledged. Iran was seeking to expand its partnership with UNODC under the new country partnership 2015-2019.

129. The people of Iran were not the only ones who would benefit from maintaining and furthering cooperation between Iran and the United Nations system, especially the Commission on Narcotic Drugs. People in other countries of the region and the international community would also benefit. All members of the Council were therefore urged to support Iran's re-election to the Commission.

130. At the invitation of the President, Mr. Loko (Benin) and Mr. Russo (United Kingdom) acted as tellers.

131. A vote was taken by secret ballot.

Number of ballot papers:	54
Number of valid ballots:	54
Number of members voting:	54
Required majority:	28
Number of votes obtained:	
Japan	53
China	52
Republic of Korea	51
Qatar	49
Pakistan	45
Thailand	42
Islamic Republic of Iran	38
Afghanistan	33

132. *Having obtained the required majority, China, Iran (Islamic Republic of), Japan, Pakistan, Qatar, the Republic of Korea and Thailand were elected to the Commission on Narcotic Drugs for a four-year term beginning on 1 January 2016.*

133. **The President** said that in the absence of any other candidates for election to the Commission on Narcotic Drugs, he took it that the Council wished to postpone the election of two members from Eastern European States for a four-year term beginning on 1 January 2016.

134. *It was so decided.*

The meeting rose at 12.15 p.m.

United Nations E/2015/SR.22

Economic and Social Council

Distr.: General
7 July 2015

Original: English

2015 session
21 July 2014-22 July 2015
Second coordination and management meeting

Summary record of the 22nd meeting
Held at Headquarters, New York, on Wednesday, 8 April 2015, at 3 p.m.

President: Mr. Oh Joon (Vice-President) ..... (Republic of Korea)

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Coordination, programme and other questions (*continued*)

(g) Joint United Nations Programme on HIV/AIDS

Non-governmental organizations

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15-05567 (E)

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In the absence of Mr. Sajdik (Austria), Mr. Oh Joon (Republic of Korea), Vsice-President, took the Chair.

The meeting was called to order at 3.05 p.m.

Coordination, programme and other questions (*continued*)

(g) Joint United Nations Programme on HIV/AIDS (E/2015/8; E/2015/L.5)

1. **Ms. Beagle** (Joint United Nations Programme on HIV/AIDS (UNAIDS)), introducing the Report of the Executive Director of the Joint United Nations Programme on HIV/AIDS (E/2015/8), prepared pursuant to Council resolution 2013/11, said that significant progress had been made in the fight against AIDS and that it would be possible to end AIDS as a public health threat by 2030, but the coming five years presented a critical window of opportunity in which action and investment must be accelerated in order to achieve that goal. The current UNAIDS strategy had accordingly been extended through the period 2016-2021. Accelerated action on HIV/AIDS was a long-term investment that would also contribute to the achievement of other sustainable development goals related to health, gender equality, rights and development as a whole.

Draft resolution E/2015/L.5: Joint United Nations Programme on HIV/AIDS

2. **Mr. Mushayavanhu** (Zimbabwe), introducing the draft resolution on behalf of his country and Switzerland, which were serving as Chair and Vice-Chair, respectively, of the UNAIDS Programme Coordinating Board, said that work to combat AIDS had not only led to impressive results with regard to the Millennium Development Goal on combating HIV/AIDS, malaria and other diseases, but had also made unprecedented gains possible in the areas of health, development and human rights. He welcomed the inclusion in the proposed sustainable development goal framework of a target on ending AIDS as a public health threat by 2030. Achieving that goal would require targeted action in the next five years and bold, time-bound commitments from the international community in the face of challenges such as the fact that more than 50 per cent of people living with HIV were unaware of their status. The global solidarity that had been the cornerstone of the AIDS response thus far must be further increased in the coming years. The draft resolution reflected the common commitment to work with and through the Joint Programme to end the epidemic and would inform the high-level meeting of the General Assembly on HIV/AIDS in 2016.

3. **Mr. Zehnder** (Switzerland) said that the draft resolution reflected the report by UNAIDS.

4. **The President** said that the draft resolution had no programme budget implications.

5. *Draft resolution E/2015/L.5 was adopted.*

Non-governmental organizations (E/2015/32 (Part I))

Action on recommendations contained in the report of the Committee on Non-Governmental Organizations (E/2015/32 (Part I))

6. **The President** invited the Council to take action on the draft decisions contained in chapter I of the report.

Draft decision I: Applications for consultative status and requests for reclassification received from non-governmental organizations

Draft decision II: Withdrawal of consultative status of non-governmental organizations

Draft decision III: Report of the Committee on Non-Governmental Organizations on its 2015 regular session

7. *Draft decisions I, II and III were adopted.*

The meeting rose at 3.30 p.m.

United Nations E/2015/SR.23

Economic and Social Council

Distr.: General
7 July 2015

Original: English

2015 session
21 July 2014-22 July 2015
Second coordination and management meeting

Summary record of the 23rd meeting
Held at Headquarters, New York, on Thursday, 9 April 2015, at 10 a.m.

President: Mr. Oh Joon (Vice-President) ..... (Republic of Korea)

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Elections, nominations, confirmations and appointments (*continued*)

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15-05629 (E)

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In the absence of Mr. Sajdik (Austria), Mr. Oh Joon (Republic of Korea), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Elections, nominations, confirmations and appointments (*continued*) (E/2015/1/Add.1*)

Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women (E/2015/9/Add.7)

1. **The President** invited the Council to elect 17 members of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women for a three-year term beginning on 1 January 2016 and ending on 31 December 2018. The election had been postponed the previous day due to ongoing informal consultations. A vote had been requested on the slate of candidates from Asia-Pacific States, in accordance with rule 59 of the rules of procedure of the Economic and Social Council, and would be held by secret ballot in accordance with rule 68.

2. On a blank ballot sheet, Council members would indicate up to five members from Asia-Pacific States for election to the Executive Board, excluding current members from Asia-Pacific States with terms expiring on 31 December 2016, namely, Bangladesh, China, India, Japan, and the Republic of Korea. While waiting for the results of the secret ballot, the Council would proceed to elect the candidates from the other regional groups by acclamation.

3. **Ms. Ataeva** (Turkmenistan) said that, as Chair of the Group of Asia-Pacific States for the month of April, Turkmenistan wished to reiterate that five candidates had been endorsed by that Group.

4. **Mr. Chu** Guang (China) said that his delegation did not understand why some countries had different opinions about the five candidate countries nominated by the Group of Asia-Pacific States. Any candidature endorsed by the Group itself should be endorsed by the Council. His delegation requested clarification from the Secretariat on that issue.

5. **Ms. de Laurentis** (Secretary of the Council) said that requesting a vote was permissible under rule 68 of the rules of procedure of the Economic and Social Council, which provided that all elections were to be held by secret ballot unless, in the absence of any objection, the Council should decide to proceed without taking a ballot on an agreed candidate or slate.

6. **Mr. Ammar** (Pakistan) said that rule 68 mentioned the secret ballot but did not explain the voting procedure to be followed in applying that rule, or any reason why the ballot sheet should contain five blank spaces rather than the names of the five candidates already endorsed by the Group of Asia-Pacific States. His delegation therefore sought clarification on the modalities for carrying out the secret ballot. Was the procedure to be arbitrary, or would precedents be followed in that regard?

7. **The President** said that an explanation would be given when the vote was conducted.

8. **Mr. Chu** Guang (China) asked which country had objected to the candidatures proposed by the Group of Asia-Pacific States.

9. **The President** said that the United States of America had requested a vote.

10. **Mr. Ammar** (Pakistan) expressed concern that once the voting procedure was under way, Council members would be prohibited from intervening under the rules of procedure, except on points of order. Under those circumstances, he wished to know whether the President would agree to explain the decision concerning the voting procedure without further delay.

11. **The President** said that delegations would have an opportunity to ask questions when he provided an explanation. He invited the Council to proceed to a vote by secret ballot for the five members from Asia-Pacific States. The United Kingdom and Estonia had agreed to act as tellers.

12. **Ms. de Laurentis** (Secretary of the Council) said that the candidates endorsed by the Group of Asia-Pacific States were Iran (Islamic Republic of), Pakistan, Samoa, Turkmenistan and the United Arab Emirates. Reiterating that current members of the Executive Board were not eligible for election, she read out the list of Asia-Pacific States that were eligible, both those endorsed by the Asia-Pacific Group and those that were non-endorsed.

13. **Mr. Ammar** (Pakistan) noted that any country on the list of eligible Member States could be elected even if it did not wish to sit on the Executive Board.

14. The **President** said that all Member States were eligible for election to any subsidiary body regardless

of whether they had been endorsed by a regional group.

15. **Mr. Muhumuza** (Uganda) said that the ballot sheet should list the endorsed candidates in accordance with tradition. A new precedent should not be set.

16. **Mr. Ammar** (Pakistan) asked which specific rule was being applied to the voting procedure. His delegation understood that any country had the option of being elected even if its candidature had not been endorsed by the Group. However, to be elected, it had to propose its candidature. On the basis of the voting procedure being followed by the Council and the list of eligible countries, even countries that had not proposed their candidature could be elected. His delegation was uncomfortable with that idea; it would therefore be grateful for further information in that regard.

17. **The President** said that, in such elections, countries were elected regionally by secret ballot regardless of endorsement by regional groups. When countries were endorsed by regional groups, the President usually asked Member States whether they wished to elect them by acclamation. In the absence of agreement by all Member States, the original formula of election by secret ballot was used.

18. **Ms. Khvan** (Russian Federation) said that a precedent should not be set for future elections. Since any country could be nominated for any subsidiary body, her delegation did not understand why the ballot list did not contain country names.

19. **Ms. Ataeva** (Turkmenistan) said that the candidates endorsed by the Asia-Pacific Group should be included on the ballot sheet but that all countries were entitled to add additional candidates.

20. **Mr. Chu** Guang (China) asked on what grounds one country had an objection to the candidates proposed by the Group of Asia-Pacific States and whether it was possible to select a country that had not proposed its candidature.

The meeting was suspended at 10:55 a.m. and resumed at 11:15 a.m.

21. **The President** said that during the suspension, the questions raised by delegations had been considered by the Council secretariat and the Office of Legal Affairs. It had been decided that further consultations would be held on whether the names of candidates should be listed on the ballot sheet. The elections would be postponed to the 24th meeting of the Council.

The meeting rose at 11.20 a.m.

United Nations E/2015/SR.24

Economic and Social Council

Distr.: General
9 July 2015

Original: English

2015 session
21 July 2014-22 July 2015
Second coordination and management meeting

Summary record of the 24th meeting
Held at Headquarters, New York, on Friday, 10 April 2015, at 10 a.m.

President: Mr. Oh Joon (Vice-President) ..... (Republic of Korea)

Contents

Elections, nominations, confirmations and appointments (*continued*)

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15-05655 (E)

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In the absence of Mr. Sajdik (Austria), Mr. Oh Joon (Republic of Korea), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Elections, nominations, confirmations and appointments (*continued*) (E/2015/1/Add.1*)

Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women (*continued*) (E/2015/9/Add.7)

1. **The President** invited the Council to elect 17 members to the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018. A secret ballot on the slate of candidates from Asia-Pacific States had been requested, in accordance with rule 68 of the rules of procedure of the Economic and Social Council. The Council had postponed the election the day before in order to obtain clarification from its secretariat on the Council's past practice with regard to the conduct of secret ballots in elections to its subsidiary bodies and, in particular, when a secret ballot was requested on a slate of candidates that had been endorsed by a specific regional group.

2. **Ms. DeLaurentis** (Secretary of the Council) said that with regard to the conduct of elections to its subsidiary bodies by secret ballot, the past practice of the Council had been to use blank ballot sheets. However, ballot sheets which listed the names of the candidates had been used in instances where there were a large number of candidates, exceeding the number of places to be filled, in order to expedite the process and to minimize the possibility of invalid ballots. Ballot sheets which listed the names of candidates were also used for elections involving a formal nomination process with a deadline. There was very little practice concerning requests for a secret ballot when the number of candidates matched the number of places to be filled. Nevertheless, the practice researched by the Council secretariat indicated that the ballot sheet was left blank in order to allow Council members an opportunity to fill in the names of Member States they wished to elect.

3. At the request of a number of delegations, the names of the slate of candidates endorsed by the Group of Asia-Pacific States for the Executive Board were included on the secret ballot. Delegations would also have the option of adding an eligible candidate from Asia-Pacific States, as long as the total number of candidates indicated on the ballot sheet did not exceed five. Iran (Islamic Republic of), Pakistan, Samoa, Turkmenistan and the United Arab Emirates had been endorsed by the Group of Asia-Pacific States. Current members of the Executive Board from Asia-Pacific States with terms expiring on 31 December 2016, who were ineligible for election, were Bangladesh, China, India, Japan and the Republic of Korea. She then read out the entire list of eligible Asia-Pacific States.

4. **The President** said that he wished to remind Council members that any ballot containing more than five names, a name not from Asia-Pacific States or a name of a current member of the Executive Board from an Asia-Pacific State would be considered invalid.

5. *At the invitation of the President, Mr. Dalo (Argentina) and Mr. Auväärt (Estonia) acted as tellers.*

6. *A vote was taken by secret ballot.*

Number of ballot papers:	53
Number of valid ballots:	53
Number of members voting:	53
Required majority:	27
Number of votes obtained:	
Samoa	53
United Arab Emirates	53
Turkmenistan	52
Pakistan	49
Iran (Islamic Republic of)	36

7. *Having obtained the required majority, Iran (Islamic Republic of), Pakistan, Samoa, Turkmenistan and the United Arab Emirates were elected members of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women.*

8. **The President** invited the Council to elect candidates from the other regional groups. In accordance with General Assembly resolution 64/289 and Council resolution 2010/35, the Council was to elect 17 members of the Executive Board from the five regional groups for a three-year term beginning on 1 January 2016 and expiring on 31 December 2018.

9. **Ms. DeLaurentis** (Secretary of the Council) said that Comoros, Gabon, Liberia, Namibia and Tunisia had been endorsed by the Group of African States; Croatia and the Russian Federation had been endorsed by the Group of Eastern European States; Antigua and Barbuda, Guyana and Panama had been endorsed by

the Group of Latin American and Caribbean States; and Germany and Luxembourg had been endorsed by the Group of Western European and other States.

10. **The President** said that, since the number of candidates from African States, Eastern European States, Latin American and Caribbean States and Western European and other States was equal to the number of vacancies for each group, he took it that the Council wished to elect the proposed candidates by acclamation.

11. *Antigua and Barbuda, Comoros, Croatia, Gabon, Germany, Guyana, Liberia, Luxembourg, Namibia, Panama, the Russian Federation and Tunisia were elected members of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women by acclamation.*

12. **The President** said that the Council had been informed that Israel, Italy and Portugal were resigning their seats on the Executive Board effective 31 December 2015. The Group of Western European and other States had endorsed Denmark, Spain and Canada to replace Israel, Italy and Portugal, respectively, for a term of office beginning on 1 January 2016 and expiring on 31 December 2016. He took it that the Council wished to elect them by acclamation.

13. *Canada, Denmark and Spain were elected members of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women by acclamation.*

14. **The President** said, with regard to the contributing countries selected by the Council in accordance with paragraph 61(a) of General Assembly resolution 64/289, that the Council had been informed that Denmark, Spain and the United States of America were resigning their seats on the Executive Board effective 31 December 2015. The top 10 contributing countries had endorsed Norway, Sweden and the Netherlands to replace Denmark, Spain and the United States of America, respectively, for a term of office beginning on 1 January 2016 and expiring on 31 December 2016. He took it that the Council wished to elect them by acclamation.

15. *The Netherlands, Norway and Sweden were elected members of the Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women by acclamation.*

Governing Council of the United Nations Human Settlements Programme (continued) (E/2015/9/Add.11)

16. **The President** said that a candidature for an outstanding vacancy on the Governing Council of the United Nations Human Settlements Programme had been received by the Council secretariat the night before. At its 21st meeting, held on Wednesday, 8 April, the Council had decided to further postpone five outstanding vacancies from Western European and other States on the Governing Council. At that time, he had encouraged Member States in that Group to fill those outstanding vacancies at the earliest possible date. If he heard no objection, he would invite the Council to take action on that outstanding vacancy on the Governing Council.

17. *It was so decided.*

18. **Ms. DeLaurentis** (Secretary of the Council) said that Sweden had been endorsed by the Group of Western European and other States to fill an outstanding vacancy on the Governing Council, beginning on the date of election and expiring on 31 December 2015.

19. **The President** said he took it that the Council wished to elect Sweden to the Governing Council by acclamation for a term beginning on the date of election and expiring on 31 December 2015.

20. *Sweden was elected a member of the Governing Council of the United Nations Human Settlements Programme by acclamation.*

21. **The President** said he took it that the Council decided to further postpone the election of the four outstanding vacancies on the Governing Council of the United Nations Human Settlements Programme, all from Western European and other States, two for terms expiring on 31 December 2016 and two for terms expiring on 31 December 2018, all beginning on the date of election.

22. *It was so decided.*

23. **The President** urged the regional group concerned to submit its nominees for those unfilled seats at the earliest opportunity.

The meeting rose at 10.45 a.m.

United Nations E/2015/SR.25

Economic and Social Council

Distr.: General
9 July 2015

Original: English

Special high-level meeting with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development

Summary record of the 25th meeting
Held at Headquarters, New York, on Monday, 20 April 2015, at 10 a.m.

President: Mr. Sajdik ..... (Austria)

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Ministerial segment on theme 1: "World economic situation and prospects"

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15-06147 (E)

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The meeting was called to order at 10.10 a.m.

Opening remarks by the President

1. **The President** said that the current meeting was being held at a crucial point in time, immediately following the spring meetings of the International Monetary Fund and the World Bank and the second drafting session on the outcome document of the third International Conference on Financing for Development, to be held in Addis Ababa from 13 to 16 July 2015, and just before the start of another round of intergovernmental negotiations on the post-2015 development agenda. The international community had been working closely together to chart a new course for sustainable development and the post-2015 agenda. All efforts must be made to extend that unprecedented collaboration beyond 2015. Indeed, financing and implementing the post-2015 agenda had to be a concerted effort of all stakeholders at the local, national, regional and international levels.

2. It was for that reason that "coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda" had been chosen as the overall theme of the current meeting. Member States and a wide range of stakeholders had highlighted the need for a renewed global partnership for the implementation of the post-2015 agenda following the first in-depth discussions on the zero draft of the outcome document of the Conference on Financing for Development. The ongoing negotiations on the financing framework for the post-2015 development agenda and on the path towards sustainable and inclusive development had made the international community aware of the wide range of challenges that had to be tackled.

3. The international community must reorient investment patterns and improve the coordination of public and private investments in order to maximize their developmental impact. It must also address the rise of systemic global risks and provide enabling national and international environments for sustainable development in an integrated manner. Past regional and global financial and economic crises had shown that development gains made over decades could come undone in a matter of a few years. In that context, a more cohesive and resilient global economic system was of the essence. Indeed, a strong global economy would be fertile ground for the implementation of a transformative and ambitious post-2015 development agenda.

4. The world economy had kicked off 2015 on a weak note, following subdued growth in 2014, as growth prospects had been hampered by major geopolitical tensions. The crises in Ukraine, the Syrian Arab Republic, Iraq, Libya and Yemen had already taken a humanitarian toll and generated pronounced economic impacts at the national and subregional levels. The drama of migrants and refugees drowning in the oceans in different parts of the world reflected in the bitterest way the appalling multitude of unsolved economic and political problems in many regions that must not leave the world indifferent. Unemployment, especially youth unemployment, remained a key policy challenge worldwide, posing risks not only for short-term economic recovery but also for long-term growth.

5. In order to mitigate those challenges, international policy coordination and cooperation must be strengthened. In particular, macroeconomic policies worldwide should be aligned with a view to supporting robust and balanced growth, creating productive jobs and maintaining economic and financial stability in the long run. The world must also come together in the fight against organized crime, trafficking in persons, money-laundering, corruption and illicit flow of funds.

6. Good governance, transparent public institutions, the rule of law at the national and international levels and respect of human rights were basic requirements for establishing and maintaining peaceful societies. Putting the planet on a sustainable path must be infused with the spirit of a new global partnership for development. The fundamental responsibility for promoting that global partnership lay with Governments. However, only a joint effort, leveraging the strengths of all actors, including civil society, the business sector, local governments, national parliaments and others, would make it possible to realize the shared vision of a sustainable development agenda. That partnership must be based on equity, cooperation and, above all, accountability. It must aim for transformative change in all economies and societies. It also should be based on respect for each country's policy space and take into account different national realities. Moreover, to be effective, it would require a strengthened and more robust monitoring and accountability mechanism with a strong follow-up process, based on technical expertise, including that of the major institutional stakeholders of the financing for development process.

7. The Council boasted unique strengths and advantages to promote such a strong follow-up process. It had the mandate to monitor the implementation of the outcomes of all major conferences and summits in the economic and social fields. Through its oversight and coordination role, the Council, including the high-level political forum convened under its auspices, would review and provide guidance to the United Nations system for implementing the post-2015 development agenda. The multi-stakeholder Development Cooperation Forum remained a crucial space to enhance national and global accountability and effective monitoring of development cooperation.

8. Lastly, a revitalized special high-level meeting of the Council with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development must remain the premier forum for addressing issues of coherence, coordination and cooperation in the financing for development process. The third International Conference on Financing for Development would provide a unique opportunity to foster a broad and comprehensive financing framework for sustainable development. The current meeting could make an important contribution to a successful outcome at that conference. The international community should make the best of the opportunity to deliver as one for all.

Statement by the Secretary-General

9. **The Secretary-General** said that the current meeting was an important step in the preparations for the third International Conference on Financing for Development, to be held in Addis Ababa in July 2015 and for the United Nations summit for the adoption of the post-2015 agenda, to be held in New York, in September 2015, and the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Paris, in December 2015. The strong engagement of the major institutional stakeholders and of civil society and business sector representatives at the current meeting illustrated the unprecedented level of cooperation that had emerged in the common efforts to formulate a post-2015 development agenda.

10. He had just returned from the spring meetings of the International Monetary Fund and the World Bank Group, held in Washington, D.C. from 17 to 19 April 2015, where he had sensed a strong commitment to carry that collaborative spirit to Addis Ababa and beyond. The third International Conference on Financing for Development provided a chance to devise a new international financial framework that was predictable and effective in achieving sustainable and inclusive development. Working together, the international community should seek three key outcomes in Addis Ababa: a cohesive and holistic financing framework for sustainable development; concrete deliverables, particularly in crucial areas such as infrastructure, agriculture, social needs and support for small and medium-sized enterprises; and a strong follow-up process based on technical expertise and the participation of the institutional stakeholders attending the current meeting, to ensure that no country was left behind.

11. The global economic recovery continued to be sluggish, having been hampered by new challenges, including a number of unexpected shocks, such as heightened geopolitical conflicts in different parts of the world. It was important to think about the right policies that could support a strong, balanced and sustainable recovery. Too much was at stake to risk the world economy falling into a stagnant growth path in the longer run. It was also important to identify and tackle the root causes of high youth unemployment, which was widespread in so many countries. Policy measures were needed to increase formal employment and close the gender gap in labour markets. But the challenges did not stop there. A stable, inclusive economy was necessary but not sufficient for sustainable development. It was important to ensure the availability of the required resources for sustainable development at all levels — national, international, public and private.

12. The co-facilitators of the financing for development process had circulated the zero draft of the outcome document of the third International Conference on Financing for Development, which had been the basis of recent negotiations in the General Assembly. The draft addressed the full spectrum of issues, including resources, enabling environments and systemic challenges. It emphasized the importance of fighting illicit flows, including through domestic reforms and international tax cooperation. It welcomed the work of the Group of 20 (G20) and the Organization for Economic Cooperation and Development in that area, but it also noted that those initiatives should be

complemented by more inclusive deliberations at the United Nations to ensure that they benefited all countries, including the least developed countries. The draft stressed the need for continued official development assistance and the importance of reversing the declining trend of aid to the least developed countries. It also emphasized the important role of development banks, private finance, technology, capacity-building and incentives to promote greater private investment in sustainable development, and highlighted the need for an equitable multilateral trading system, sustainable debt and more inclusive global governance for sustainable development.

13. Lastly, the post-2015 development agenda was ambitious. The financing needs were enormous. Nonetheless, they could be met if the international community worked together to deliver as one. However, success could not be achieved without a revitalized and stronger global partnership for development. As the international community was working to forge that partnership, it must learn from the lessons of the current global partnership. The Council and its subsidiary bodies would continue to do their part. Success would only be achieved through a concerted effort by all stakeholders, especially among those attending the current meeting. The world must work closely together to make 2015 a year of global action, one that would mark the dawn of a new era of sustainable development.

Keynote address by the Deputy Prime Minister of Turkey

14. **Mr. Babacan** (Observer for Turkey), Deputy Prime Minister, said that since the financial crisis of 2008, the global economy had still not made a sustained recovery, despite measures taken to address the challenges it faced. At the country level, the growth rates of advanced and emerging market economies seemed to be converging. Recent signals from the advanced economies were encouraging. Growth and labour markets were expected to remain strong in the short term in some developed countries, such as the United States and the United Kingdom, and to pick up steam in others, such as Japan and States members of the European Union. Given those improvements, the concerns of the global economy were expected to ease somewhat and global demand and trade were expected to strengthen gradually. The picture in emerging economies was mixed, with growth being strong in some and subdued in others. Nonetheless, those economies still accounted for more than two thirds of global economic growth.

15. Despite an overall positive outlook, the world economy still faced a number of challenges, including the volatility of exchange rates, owing to the divergent monetary policies of the advanced economies. That volatility might put pressures on corporations, especially those with unhedged foreign exchange exposures. Prolonged low inflation and low yields were other examples of challenges to be overcome. Addressing those challenges required appropriate macroeconomic measures, considering that monetary policies had reached their limits, especially following the recent monthly stimulus packages adopted by certain economies. Governments should adopt flexible fiscal policies to support growth without jeopardizing the medium-term fiscal outlook. They should also take advantage of the accommodative fiscal environments created by central banks to undertake desperately needed structural reforms. Monetary or fiscal policies alone would not be sufficient for the global economic recovery and sustainable growth. Reforms of the labour market, social security and the investment and capital accumulation environments would also be crucial.

16. During its presidency of the G20, Turkey would focus its efforts on ensuring robust growth through collective action, based on inclusiveness, implementation and investment. It would seek to build on the priorities established by previous presidencies to ensure seamless continuity in the work of the Group, while introducing new elements based on the motto "collective action for inclusive and robust growth". The G20 had made significant strides in designing and launching policy frameworks in many areas. In November 2014, it had pledged to undertake about 1,000 projects which, if fully implemented, would add more than $2 trillion to the global economy and generate millions of additional jobs by 2018.

17. The inclusiveness pillar had both domestic and global dimensions. At the domestic level, the aim was to ensure that the benefits of growth and prosperity were shared by all segments of society. With that in mind, his Government would emphasize small and medium-sized enterprises as a cross-cutting topic, considering their contribution to economic activity and the fact that they accounted for up to 80 per cent of jobs created in many countries. As part of that process,

the Government was working with the International Chamber of Commerce to establish a small and medium-sized enterprises forum in 2015, which would serve as the voice of those enterprises on the global stage, representing them at various international forums. It would also be launching a group called Women 20, which would be seeking ways of enhancing the role and effectiveness of women in business. The Turkish Government had also asked all members of the G20 to come up with structures within their countries to that end. At the international level, Turkey would focus on the concerns of low-income developing countries and would ensure that those concerns were raised more vocally by the G20 on the world stage. That would be one of the defining aspects of the Turkish presidency of the Group.

18. The second pillar underpinning Turkish priorities was that of implementation. In 2015, it would ensure that the G20 countries implemented their growth and employment strategies, commitments and action plans in various areas. That implementation would be monitored using a template which the G20 countries had established collectively in 2015, to ensure transparency and accountability and provide an impetus for countries to fulfil their commitments.

19. The third pillar of the priorities of the Turkish presidency was that of investment. In that regard, Turkey would place a strong emphasis on investments as a powerful driver of growth. Building on existing resources, it would introduce a new narrative that would address the investment gaps of member countries through concrete and ambitious investment strategies. It had asked all G20 countries to prepare concrete and ambitious investment strategies to be presented at the G20 Summit, to be held in Antalya, Turkey, on 15 and 16 November 2015. It was worth noting that many Governments had very limited fiscal space, which prevented them from increasing their investment spending. As a result, the ability to mobilize private resources for public infrastructure investment was important. Public-private partnership projects were an effective solution in that regard. However, investors still found it hard to understand those projects, hence the need for standardization in order to infuse more confidence and predictability into the projects. Those were factors sought by sovereign wealth funds, pension funds, and insurance and reinsurance funds around world, which had significant resources and were seeking investment opportunities for a minimum return. Private resources could also be injected into public infrastructure projects through asset-based financing and Islamic financing.

20. The G20 could play a positive and constructive role in complementing global development efforts in 2015. The current concern of the development community was to create a more inclusive and equitable system of global partnership involving all advanced, emerging and developing countries on the basis of mutual respect and benefit. At a time when the official development assistance framework was considered insufficient, more resources were needed, including domestic resources and private investments, to deepen the global partnership and achieve a global agreement on a new development financing framework. During its presidency of the G20, Turkey would do its utmost to ensure that the Group made the biggest possible contribution to the global development agenda in 2015.

21. The highest priority of the G20 was to see strong, sustainable, balanced and inclusive global growth, better living standards and quality jobs for people. The leaders of the 20 major economies of the world were well aware that what they did for the G20 countries mattered for the rest of the world as well. The Group had its own development agenda, which had several concrete and action-oriented elements and five priority actions: infrastructure, domestic resources mobilization, financial inclusion and remittances, food security and nutrition, and human resources development. That agenda was very much linked with several of the proposed sustainable development goals. The issue of investment in infrastructure was strongly linked to the sustainable development goal to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. Likewise, the employment agenda, and particularly the work on skills mismatching of the G20, also had strong linkages with the goal to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

22. In line with the goal to end hunger, achieve food security and improve nutrition, the G20 was also working on food security and nutrition. In 2015, it would be convening the second-ever meeting of its ministers of agriculture to determine the best ways of supporting progress towards establishing sustainable food systems, with a particular focus on food losses and waste. It also aimed to develop an energy access

action plan with a particular focus on sub-Saharan Africa. The G20 could play a constructive role in addressing the global problem of access to energy which affected one fifth of the world population. The very first meeting of G20 ministers of energy, which would be held in Istanbul, Turkey, in October 2015, would provide a unique platform for strengthening global cooperation in that regard. The G20 would also be promoting the role of the private sector and private investments in creating jobs and fostering development. In addition to those efforts, the Turkish Government aimed to increase the engagement of the G20 with low-income developing countries through high-level outreach activities and many other events.

23. Lastly, humanitarian crises undermined development efforts. The current approach to humanitarian and development assistance, which regarded them as two separate tracks, failed to address some of the worst protracted crises in the world. Turkey was witnessing those challenges most vividly and first hand in Syria, with its catastrophic humanitarian consequences. Those crises were primarily responsible for the reduction in official development assistance to developing countries, because developed countries tended to divert their resources from development budgets to humanitarian crises whenever such crises arose. There was therefore a need to usher in a new era of cooperation between humanitarian and development actors, especially with regard to humanitarian financing. The World Humanitarian Summit, to be held in Istanbul, Turkey in May 2016, would provide a unique opportunity to address those issues.

Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda (E/2015/52)

Ministerial segment on theme 1: "World economic situation and prospects"

24. **Mr. Gabrielyan** (Observer for Armenia), Deputy Prime Minister and Minister of International Economic Integration and Reforms, said that the conventional approach to financing for development required updating from a range of perspectives, considering that the finance landscape had become more complex. Public finance was still the mainstay in development, but its role seemed to be evolving. Using both government- and donor-raised money and increasing the leverage of the private sector through more public-private partnerships seemed to be one of the more promising avenues of infrastructure finance, particularly for low middle-income countries. Those countries were developed enough to nurture more complex institutions, yet still needed a longer time and more focused efforts to do so on their own. The importance of the guidance of international financial institutions in that regard could not be overestimated.

25. His country was currently engaging actively with international financial institutions, particularly, the World Bank, to find public-private solutions for its infrastructure projects. In a study conducted as an input to the consultations on the post-2015 development agenda, the World Bank had argued that the costs of achieving any development goal depended on the efficiency with which that goal was pursued, and that since there was a significant undersupply of infrastructure in developing economies, those costs could be mitigated only if existing infrastructure was used more efficiently.

26. Infrastructure development was a high priority for his Government, as duly reflected in the strategy for prospective development that it had adopted for the upcoming decade. The strategy aimed to scale up the impact of multi-stakeholder partnerships in addressing the issues related to financing gaps. As a landlocked country facing serious structural constraints and developmental challenges, Armenia viewed mobility and transportation as central to its sustainable development. It shared the view that coherent steps should be taken to make the best use of existing transport facilities and infrastructure in order to promote trade, facilitate investment and cooperation, enhance cross-border transportation and improve regional connectivity.

27. The fact that the highly important inter-State railway running from the Turkish city of Kars to the Armenian city of Gyumri was not being used in the vital interests of sustainable development for the whole region, owing to an ongoing illegal blockade imposed on Armenia was, therefore, a source of deep concern for all. His Government did not want to ascribe that state of affairs to a historical event, namely the Armenian genocide carried out 100 years earlier, or to Turkish sponsorship of the aggressive stance adopted by Azerbaijan, but was keen to move forward and believed that the spirit of cooperation would prevail in the end.

28. In addition to financial bottlenecks, other barriers to development, such as closed borders, blockades and unduly discriminatory trade regimes, should be considered. The current meeting had a direct link with the ongoing negotiations on the post-2015 development agenda and the preparatory process for the third International Conference on Financing for Development. His Government commended the Council for the indispensable role it played in convening a number of stocktaking sessions on the outcomes of development-oriented conferences, such as the second United Nations Conference on Landlocked Developing Countries. It looked forward to further developments in those processes and stood ready to engage actively in the discussions on the post-2015 agenda and the mobilization of resources to ensure that 2015 indeed became a year of opportunity for a more sustainable future.

29. **Mr. Cárdenas Santamaria** (Colombia), Minister of Finance, said that while his country had seen 4.6 per cent economic growth in 2014 and had lifted 4.4 million people out of poverty between 2009 and 2014, all Latin American countries were facing two major threats from the international economy, which should be addressed at the third International Conference on Financing for Development: the drop in commodity prices and monetary policy normalization in certain States. The expected increase in United States interest rates was of particular concern.

30. The conference should also address one of the biggest barriers to the mobilization of domestic resources for development, namely erosion of the tax base as a result of corruption, criminal activity and tax evasion. Data from the Organization for Economic Cooperation and Development (OECD) indicated that while its member countries collected 34 per cent of their gross domestic product (GDP) in taxes, Latin American countries collected only 22 per cent. To help close that gap, the international community should increase cooperation on tax matters by supporting the OECD and G20 base erosion and profit shifting project (BEPS Project) and transforming the United Nations Ad Hoc Group of Experts on International Cooperation in Tax Matters into a permanent intergovernmental committee.

31. Furthermore, steps should be taken to provide developing countries with the capacity to exchange tax information automatically and to analyse that information. Developing countries should improve their tax agencies by investing in information technology and human resources. They must also encourage formal rather than informal employment, as Colombia had done by slashing its payroll tax.

32. The conference should also discuss the mobilization of private resources at the domestic and international levels through public-private partnerships. Such mobilization would require strong legal frameworks and adjustments to enable the international financial system to adequately finance private sector entities involved in such projects. National development banks should be enabled to compensate for market failures and act as catalysts for accessing other resources. The conference should result in financing structures that would enable the realization of the post-2015 development agenda.

33. **Mr. Mimica** (Observer for the European Union), Commissioner for International Cooperation and Development, said that decisions taken in the coming months would determine whether the current generation would eradicate poverty and secure sustainable and inclusive development worldwide. Global economic growth was set to strengthen modestly, if not evenly. Growth momentum in the United States continued to be robust, while growth in Japan was expected to gradually rebound, partly as a result of its accommodative monetary policy and lower global oil prices. While growth in China would slow further as the economy settled into a more balanced pattern, growth in emerging market economies as a whole was expected to accelerate. However, growth rates in developing countries had slowed for the fourth consecutive year, thus increasing the risk of the goal of poverty eradication not being achieved.

34. Recovery in the euro area was progressing, although hampered by incomplete macroeconomic adjustment and high rates of unemployment. The European Union was pursuing an ambitious domestic economic strategy involving increased public and private investment, a renewed commitment to structural reform in the energy, telecommunication and transport sectors, and greater fiscal responsibility.

35. The issue of funding for development could not be addressed in isolation, as the shared vision of a transformative, universal post-2015 agenda could only be achieved through the mobilization and optimal use of all available means of implementation. The third International Conference on Financing for Development

should cover those means of implementation, including the policy framework that would be needed to ensure that financing had a lasting impact. The conference should result in action on the part of all stakeholders, including Governments, international organizations, the private sector and civil society. The European Union intended to play its full part alongside other partners, taking into account their different levels of development, national contexts and capacities.

36. The European Union was committed to increasing its official development assistance (ODA), which should be used to engage and leverage other financial and non-financial means of implementation. Its member States represented less than 20 per cent of global GDP but contributed more than 50 per cent of global ODA. All States that were able to contribute, including upper-middle-income countries, should make commitments in line with their economic situation. However, ODA alone would not be sufficient to finance the broad sustainable development agenda. Significantly more public and, in particular, private investment at both the domestic and the international levels was necessary, with financial institutions playing a crucial role. In addition to pushing for increased cooperation in those areas, the conference should also focus on the effective mobilization of domestic resources, including through the establishment of transparent and efficient tax systems.

37. Trade was one of the most powerful means of promoting sustainable development and growth. All developed countries and emerging economies were encouraged to adopt policies such as Aid for Trade to that end. Inequality had a negative impact not only on human dignity but also on growth potential. Addressing inequality and exclusion, particularly with regard to women, would be at the core of the European Union development agenda. To ensure credibility, consistency and impact, the Conference on Financing for Development and the post-2015 development agenda should result in a single, overarching agenda supported by a solid monitoring mechanism. The outcome of the conference should be framed as the implementation pillar of the post-2015 development agenda.

38. **Ms. Andersson** (Sweden), Minister of Finance, said that climate change was the most significant challenge to development and would have tremendous effects on the global economy if it were left unaddressed. While the dramatic drop in the price of crude oil had decreased incentives to abandon fossil fuels, it also offered an opportunity to phase out fossil fuel subsidies and put a price on carbon through either a carbon tax or an emissions trading scheme. Such initiatives would also create fiscal space that could be used to fight poverty and drive development.

39. Since Sweden had introduced its carbon tax in 1991, its GDP had increased by almost 60 per cent and its carbon emissions had been reduced by over 20 per cent. Her country was already the largest per capita contributor to the Green Climate Fund but was committed to increasing its contributions even further and hoped that other States would follow suit. However, integrating environmental and climate sustainability into all financing for development was even more important than earmarking resources for climate investment.

40. Another issue that must be an integral part of all development financing was gender equality, not only because it was morally right but also because of the substantial increase in the global GDP that could be generated by increasing women's career opportunities and participation in the labour force. It was crucial for a commitment on the matter to be made at the third International Conference on Financing for Development. Furthermore, while the commitment contained in the zero draft of the outcome document of the conference to progressively increase tax revenues and to support countries that needed technical assistance and fiscal management capacity was welcome, the international community also needed to address the crucial issues of tax evasion and capital flight, which significantly reduced the amount of available resources. One outcome of the conference should be a commitment to enhance cooperation on tax issues.

41. ODA should be directed towards the countries that were most in need and used to maximize the potential of other, much greater resources. Her Government remained committed to allocating 1 per cent of its gross national income to ODA.

42. **Mr. Ibrahim** (Tunisia), Minister of Development, Investment and International Cooperation, said that net exporting countries must assume that the low price of oil would persist for several years and diversify their economies accordingly, while net importers should respond to the situation as if it would only last for one or two years and take measures such as reviewing energy subsidies and linking consumer prices to actual

prices, as far as their national contexts would allow. His country faced financial, social and security challenges that the Government would take into account when determining spending priorities. Security and military capacity must be reinforced in order to combat terrorist groups, which were well able to exploit the social and economic weaknesses of developing countries.

43. Since the Arab Spring in 2011, the Tunisian people had gained freedom and seen improvements at the political level, including free elections in 2014, but they were still waiting for real social and economic improvements in their everyday lives. An ambitious reform programme was being rolled out to improve competitiveness and make the country more attractive to foreign investors. At the same time, his Government had been working with the United Nations to achieve its goals on inclusive growth and poverty eradication. The Government appreciated the strong support it had received from the international community in the first phase of the transition. However, it would be some time before reforms began to pay economic and social dividends, owing mainly to challenges around security and social issues. Tunisia would welcome further coordination, support and collaboration in that regard.

44. **Mr. Tekeste** (Observer for Ethiopia), State Minister for Finance and Economic Development, said that economic recovery had remained moderate and uneven as a result of the unexpected number of economic and social shocks, conflicts and terrorist acts that had taken place over the past year. Nevertheless, the commitment of the international community to an ambitious, sustainable and transformative development agenda was encouraging. Achieving the sustainable development goals would require a level of global partnership beyond that required for the Millennium Development Goals, including a universal readiness to mobilize all sources of finance, whether public or private, domestic or international. In particular, optimizing the vast resources held by the private sector would be crucial.

45. Given that there was already a significant convergence of ideas on much of the content of the zero draft of the outcome document of the third International Conference on Financing for Development, there should be a greater focus on reaching agreements on funding. At the national level, domestic resource mobilization was crucial. An environment conducive to the meaningful participation of the private sector should therefore be created, including through the establishment of an appropriate regulatory framework. However, it was still critically important for States to follow through on their ODA commitments, as even the envisaged increases in domestic resources would not be sufficient to enable less developed countries to achieve the sustainable development goals on their own.

46. International financial and trade institutions would have a much larger role to play in financing sustainable development in the post-2015 period. They would be responsible for ensuring a stable global financial and trade system, strengthening the productive capacity of less developed countries, and making available the necessary resources for the development of key economic and social infrastructure. They should continue to provide support for domestic resource mobilization, capital market development, foreign direct investment, capacity-building and technical assistance. Reaching agreements on the creation of a global economic and financial system conducive to the implementation of the post-2015 development agenda at the conference would be fundamental to the success of subsequent meetings.

47. **Mr. Karimsakov** (Observer for Kazakhstan), President, Eurasian Economic Club of Scientists Association, said that the main goal of the World Anti-Crisis Conference, was to develop a world anti-crisis plan to help overcome the global economic and financial crisis. The basic outline of the plan had been determined at the first Conference, held in Astana in May 2013, and a road map had been presented at the sixty-eight session of the General Assembly. At the second World Anti-Crisis Conference, held in May 2014, delegates had appealed to international organizations and financial institutions to take an active part in developing the World Anti-Crisis Plan, which had the support of organizations such as the World Bank, the United Nations Conference on Trade and Development, the Economic and Social Commission for Asia and the Pacific, the Islamic Development Bank and the European Bank for Reconstruction and Development. He proposed that the Economic and Social Council should be the coordinating body for the development of that Plan. The Eurasian Economic Club of Scientists Association stood ready to openly and actively engage with the United Nations in order to achieve a common understanding among Member States on the development of the Plan.

Interactive dialogue

48. **Mr. Mamabolo** (South Africa), speaking on behalf of the Group of 77 and China, said that it had been clear from the early stages of the second drafting session for the zero draft of the outcome document of the third International Conference on Financing for Development that there would be a need for additional consultations. He trusted that contributions and submissions from Member States would be compiled to form a basis for negotiations. The document must give national Governments space to implement policies in line with their specific needs and objectives. Additional forms of financing must be incorporated in such a way as to recognize the role of Governments in regulating funding for development programmes in their countries.

49. The financial and economic crisis and its consequences for development had highlighted the gaps and failings in global economic governance. The United Nations must have a stronger role in international economic and financial affairs, including in the coordination of global economic governance. The Bretton Woods institutions were undemocratic and of questionable legitimacy and must, therefore, be reformed in such a way as to give developing countries full and fair representation.

50. Ensuring the availability of adequate and stable resources for development was crucial to the progress of international development cooperation and to the core components of the post-2015 development agenda. Also central to the agenda were technology transfers under concessionary and preferential terms and capacity-building tailored to the specific needs of developing countries. The agenda must be based on the principle of common but differentiated responsibilities.

51. The erosion of ODA was a matter of serious concern. Developed countries must urgently fulfil their commitment to dedicate 0.7 per cent of their gross national income to ODA, including between 0.15 and 0.2 per cent of their gross national income to the least developed countries. In addition, the share of ODA should be increased to at least 1 per cent and less developed countries should receive a larger proportion, as had been agreed in the Programme of Action for the Least Developed Countries for the Decade 2011-2020.

52. The systemic shortcoming of the international monetary, financial and economic institutions could not be overemphasized and must be addressed through in-depth reform. There was also an urgent need to enhance the coherence and consistency of the international monetary, financial and trading systems.

53. **Mr. Lasso Mendoza** (Observer for Ecuador), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that despite estimates that the gross world product was forecast to increase by 3.1 and 3.3 per cent in 2015 and 2016, respectively, unemployment and underemployment remained dangerously high in some States, and growing rates of youth unemployment were particularly challenging for many developing countries. In that context, there was a need for more forceful and concerted policy action at both the national and the international level to ensure strong, sustained economic recovery. In particular, fiscal policies should become more countercyclical, equitable and conducive to decent job creation. The transparency, supervision, regulation and governance of the international financial system should be enhanced to ensure international stability, and alternative instruments and frameworks for measuring the quality of credit, financial services and financial products should be developed in order to diversify and expand the market and build national capacities.

54. An effective financing for development strategy would require the mobilization of new and additional financial resources. ODA would play an important role in achieving the agreed goals and should be allocated according to criteria that took into account factors beyond GDP, such as multidimensional poverty. The framework for the post-2015 development agenda should include time-bound targets in the areas of trade, investment, migration, technology, the environment and global institutions. The approach to multi-stakeholder partnerships involving the private sector, philanthropic entities and civil society must take into consideration elements such as transparency, coherence, ownership and intergovernmental oversight and focus on results, monitoring and accountability.

55. Distortions in international trade such as non-tariff measures, tariff peaks, agricultural export subsidies and trade-distorting domestic support continued to restrict market access opportunities for developing countries and must be addressed. The Doha Development Round should result in a universal, rule-based, open, non-discriminatory and equitable multilateral trading system that promoted recovery, growth, sustainable

development and employment, taking into account the needs of developing countries.

56. The representativeness, effectiveness and legitimacy of the Bretton Woods institutions should be improved through reforms of their governance structures, quotas and voting rights. The lack of progress in the implementation of the 2010 International Monetary Fund (IMF) reforms was disappointing. Those reforms must reflect current realities and ensure full participation of developing countries in the decision-making process. IMF must provide more comprehensive and flexible financial responses to the needs of its members, without imposing procyclical conditionalities or denying them policy space. Developing countries must be able to participate in all discussions on international monetary reform and in the operation of the new arrangements for special drawing rights.

57. The stability and predictability of the international financial architecture would not be possible unless agreements between debtors and creditors on sovereign debt restructuring processes were respected. In that regard, all Member States, particularly those that were members of OECD, and international financial institutions were strongly encouraged to participate in the remaining sessions of the ad hoc committee established to further the implementation of General Assembly resolution 68/304, which would take place in April and June 2015.

58. **Ms. Kantrow** (Observer for the International Chamber of Commerce) said that, in preparation for the third International Conference on Financing for Development, the Business Sector Steering Committee had hosted a day of business hearings for Member States in New York in April 2015, focusing on infrastructure financing, access to financing for small and medium-sized enterprises, and long-term responsible investment. The International Chamber of Commerce was working closely with the G20 to establish a world forum of small and medium-sized enterprises and had produced the Business Charter for Sustainable Development to provide guidance to businesses on the post-2015 development agenda. The Steering Committee was organizing a business and investment forum as part of the Financing for Development Conference, was engaged in the preparatory process and had contributed to the zero draft of the outcome document.

59. **Mr. Eler** (Observer for Turkey) said that the comments of the representative of Armenia had misrepresented his Government's forward-looking and visionary contribution to the theme of the ministerial segment. The meeting was an opportunity for the international community to coordinate its contribution to the post-2015 development agenda rather than for delegations to be making unfounded allegations in an attempt to score futile political points. Mutually beneficial partnerships between landlocked developing countries and their transit neighbours and development partners should be developed, renewed and enhanced.

60. Such partnerships would help to establish an effective framework for overcoming the specific challenges faced by landlocked developing countries. In order to establish the political conditions for the normalization of relations in the South Caucasus, which would contribute to peace and cooperation in the region, the interested parties should display the necessary political will and be encouraged to move in the right direction. His delegation would welcome an analysis of the impact of one country in the region occupying 20 per cent of the territory of its neighbour.

61. **Mr. Zinsou** (Benin), speaking on behalf of the Group of Least Developed Countries, said that the complex global situation, characterized by slow economic growth, contractionary fiscal policy, an upsurge of conflicts, disasters and public health emergencies, and a continuous decrease in ODA to least developed countries, jeopardized the prospects for global development. Strong regulatory measures designed to reduce risk-taking by financial institutions had raised borrowing costs for developing countries. The moderate economic recovery of least developed countries between 2012 and 2014 had stalled because of slow revival and continued fiscal consolidation in advanced economies and declining growth in emerging market economies, which were increasingly important markets for commodities produced by least developed countries.

62. Least developed countries were concerned that, in the current era of budget austerity, foreign aid would be insufficient to end extreme poverty and promote the three dimensions of sustainable development by 2030. In 2014, country programmable aid had decreased by 7 per cent in real terms and the amount of ODA received by least developed countries represented only 0.1 per cent of the gross national income of donor countries, compared to the OECD target of 0.15 to

0.20 per cent. The share of ODA allocated to such countries was 33 per cent, a fall of 16 per cent in 2014. Donor countries should provide between 0.20 and 0.25 per cent of their gross national income as ODA to least developed countries, which should receive at least 15 per cent of net ODA.

63. Integrated policies at the global, regional and national levels and a coherent approach to the post-2015 development agenda, balancing the three aspects of development, were needed. Least developed country status should be universally recognized, including by the World Bank and IMF, to facilitate follow-up to the implementation of the sustainable development goals. The classification of countries on the basis of income was increasingly irrelevant because it did not take into account structural constraints such as fragility. Least developed countries were the most homogenous group of States, with very little variation among members.

64. The role of the United Nations development system and other intergovernmental organizations in implementing the post-2015 development agenda should be defined. The Group of Least Developed Countries needed assurance that the system could fulfil its mandate.

Statements by intergovernmental representatives of institutional stakeholders

65. **Mr. Piantini Munnigh** (United Nations Conference on Trade and Development (UNCTAD)) said that in preparing for the third International Conference on Financing for Development and the post-2015 development agenda, States faced a global development landscape characterized by increasingly complex and interdependent events following the global financial crisis. The world economic system, increasingly fragmented, should be made coherent and stable, with development and poverty eradication at its core, as described in the 2002 Monterrey Consensus. Institutional perspectives and the intergovernmental machinery should be combined so that the global economy could bring prosperity to all.

66. The innovative ideas resulting from the intergovernmental discussions of UNCTAD had taken concrete form in the run-up to the fourteenth session of UNCTAD, to be held in Lima in March 2016. By the very nature of its consensus-building pillar and because of its broad mandate, UNCTAD was a unique political and intellectual forum in which development questions could be discussed before intergovernmental bodies acted on them.

67. Optimizing the impact of international trade on development required greater coherence between policies in trade and other areas than could be provided by the multilateral trading system and trade liberalization alone. Open, universal and equitable international trade would benefit developing countries in particular, and coherent economic, environmental and social policies must be pursued to ensure the right relationship between trade, structural transformation, productive capacity, economic growth and equitable development.

68. The importance of trade to inclusive growth and sustainable development must be reflected in the post-2015 development agenda. The UNCTAD Trade and Development Board had therefore asked the UNCTAD secretariat to contribute to the agenda, the sustainable development goals and relevant United Nations activities.

69. UNCTAD had produced an action plan for investment in the sustainable development goals. The sustainable development of infrastructure, social housing and social energy should become a priority for investment promotion agencies and business development organizations. Investment incentive schemes should be restructured to encourage corporate behaviour that ensured sustainable development. Regional and South-South investment cooperation should be promoted, particularly in infrastructure development. Partnerships would foster the establishment of companies focused on achieving the sustainable development goals and of special economic zones based on public-private cooperation, with a view to enhancing the generation and dissemination of technologies and skills.

70. Such innovative financing mechanisms as green bonds and impact investing should be promoted and oriented towards appropriate sources of capital and direct beneficiaries. In conjunction with business schools around the world, UNCTAD was developing a curriculum that took into account the social and environmental impact of investment, with a view to changing the approach of businesses. Its Investment Policy Framework for Sustainable Development, introduced in 2012, was being revised in the light of the sustainable development goals.

71. The international community had made a shared commitment to harnessing trade in the service of development, but progress in the Doha Round remained slow. The talks would continue at the World Trade Organization (WTO), but political dialogue in UNCTAD would ensure that they moved in the right direction and benefited from the experience of different policies and mechanisms.

72. Achieving systemic coherence was a great challenge. The consequences of the global economic crisis affected everyone, and the traditional North-South divide must be replaced by multilateral economic relations. The financing for development process, the post-2015 development agenda and the preparatory process for the fourteenth session of UNCTAD would contribute to that end. Development must be financed through a global partnership designed to create prosperity for all, mobilize investment and private financial flows and improve the results of development assistance.

73. The United Nations and other multilateral institutions were essential to strong global economic governance based on multilateralism and credibility, which must underpin trade and development. If the international community were to honour its commitment to democracy and good governance, the coordinating role of the United Nations must be strengthened.

74. UNCTAD had much to contribute because of its broad scope and its function as one of the five major stakeholders in the financing for development process. The lack of financing for the economies of least developed countries was one of the greatest obstacles to their development, given their limited ability to generate savings. UNCTAD should monitor the implementation of the commitments made by the international community to such countries at the third International Conference on Financing for Development. It should also analyse such countries' progress in trade, technology and sustainable development, areas of its mandate mentioned in the financing for development documents. Given its contribution to the work on the challenges faced by such countries, it was uniquely placed to contribute to the follow-up to the Conference through research and technical assistance.

75. **Mr. Mohieldin** (World Bank) said that the discussions at the April 2015 meeting of the Development Committee of the International Monetary Fund (IMF) and the World Bank had focused on financing for development, in particular the post-2015 agenda. The achievement of the sustainable development goals would require a transformational vision based on the lessons learned from the Millennium Development Goals and including all potential sources of financing. ODA should be better used to help the poorest; domestic resources should be more effectively mobilized; public financial management should be improved; illicit financing should be addressed; private investment should be promoted; and action on global issues should be coordinated.

76. The Committee encouraged the World Bank to help define the sustainable development goals to ensure their technical robustness and strengthen countries' data capacity so that their progress could be monitored. The elimination of poverty, the first proposed sustainable development goal, might not be achieved because of a lack of household summaries for the previous ten years in 57 countries.

77. The Committee welcomed efforts to strengthen local financial markets and improve policy and regulatory environments in order to address risks and catalyse investment and the development of innovative solutions to global challenges. The World Bank should support sustainable infrastructure development and enable the long-term private financing of projects and the strengthening of public-private partnerships at the national level, including through the Global Infrastructure Facility.

78. The Committee welcomed the rapid response of the International Development Association and the International Finance Corporation to the Ebola outbreak. The World Bank should support recovery in the affected countries and establish a pandemic emergency facility.

79. The achievement of the sustainable development goals would require countries to address climate change and natural disasters. The Committee commended the World Bank's commitment to mainstreaming low-carbon development and disaster risk management while continuing to focus on poverty eradication, and welcomed its contribution to the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Paris in November and December 2015.

80. Although the recent fall in oil prices had resulted in a shift in real income from exporting to importing countries, its overall effect on growth in developing

countries would be positive, because it would enable subsidy and tax reforms and help to promote more inclusive growth. The World Bank and IMF should help countries affected by the decline in export receipts, tax revenues and remittances, and should provide advice on energy pricing and the use of clean energy.

81. The World Bank should implement its new strategy and the associated reforms in order to provide knowledge and financing to its clients, and should dedicate sufficient resources to its proposed environmental, social and procurement frameworks. It should monitor the quality of its portfolio and strengthen collaboration, with an emphasis on development results in fragile States. The World Bank and IMF should support countries in turmoil in the Middle East, North Africa and other regions, and the Bank should intensify its efforts to help middle-income countries end extreme poverty and boost shared prosperity.

82. The data, financing and implementation support offered by multilateral development banks in relation to the sustainable development goals would be ineffective without strong national institutions, policy frameworks and leadership.

83. **Mr. McDonald** (International Monetary Fund (IMF)) said that the support provided by the Fund to its member States in a global economic climate of uneven growth, declining oil prices, sharp variations in exchange rates and market volatility was set out in the April 2015 Managing Director's Global Policy Agenda, endorsed at the 31st meeting of the International Monetary and Financial Committee. The global recovery from the economic and financial crisis was moderate and uneven. It was strongest in advanced economies such as the United States and the United Kingdom, although quantitative easing by the European Central Bank had improved prospects in the euro area. In emerging market and developing economies, low commodity prices meant that growth was slower than in 2014, though there was much variation: growth in India and sub-Saharan Africa was strong, while in China it was slower but more sustainable. The Russian Federation was in difficulty, the Brazilian economy was stagnant and the Middle East was in turmoil. Sustainable growth required integrated policies designed to reduce risk while confronting global challenges and avoiding a long period of slow growth.

84. The Fund had ensured the durability of the recovery through lending, capacity-building, analysis and policy advice. It had supported international efforts to combat Ebola by rapidly providing additional financing and debt relief through the Catastrophe Containment and Relief Trust. It had approved new arrangements for various countries, adopted a new debt limits policy to strengthen its lending framework and completed a review of the role of trade in its work. It would continue to provide advice on the use of fiscal policy to support growth, the calibration of fiscal packages to reduce public debt overhangs, and fiscal risk management. It would strengthen fiscal institutions and ensure public debt sustainability through technical assistance and training, and would target energy tax and subsidy reforms, the improvement of public investment management and the fiscal consequences of ageing populations through its analytical and country work.

85. The Fund would assess the impact of asynchronous monetary policies on member States, including the ways in which macroeconomic policy transmission could be improved, disruptive exchange rate movements managed, financial stability risks and capital flow volatility mitigated, and falling commodity prices and disinflationary pressures addressed. It would analyse the link between monetary policy and financial stability and provide advice and capacity-building for monetary policy frameworks in low-income developing countries.

86. The Fund would conduct deeper macrofinancial analyses; help member States to address financial stability risks; provide advice on debt overhangs in the euro area and on macroprudential policies, including systemic risks stemming from corporate sector exposure in emerging market economies; analyse financial deepening and inclusion to support growth; address data gaps; and develop Islamic finance. It would analyse macrocritical structural reforms designed to ensure sustainable and inclusive growth, making use of other institutions' expertise, and would build on recent work that identified which reforms were most beneficial at different stages of development. In its analysis it would emphasize productivity enhancement; complementarities between reforms, including in trade and financial inclusion; income inequality; and female workforce participation.

87. Emerging market and developing countries had been rapidly integrated into global trade but not into

the financial system. Cooperation with regional institutions was needed to enhance the global financial safety net and ensure such integration. The special drawing rights basket would be reviewed in 2015. The Fund would take interim steps to implement its quota and governance reforms, which were designed to represent the changing dynamics among its members and had been approved by almost all of them.

88. The current year was a pivotal one for the international community, which had committed itself to a shared vision of international development beyond 2030. The sustainable development goals would be achieved only through partnership among advanced, emerging and developing economies.

89. The success of the third International Conference on Financing for Development, the United Nations Summit to adopt the post-2015 development agenda, to be held in New York in September 2015, and the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change would depend on the mobilization of resources for development and progress in addressing climate change. The Fund would contribute to those conferences by producing a paper explaining its position on the links between global and national policies, fostering productive investment, debt management and restructuring, financial sector policies and macrocritical climate issues.

90. **Mr. Yi** Xiaozhun (World Trade Organization (WTO)) said that the main conclusions of the WTO trade growth forecast for 2015 and 2016, released in April 2015, were that the sluggish increases in GDP worldwide had affected trade. Mercantile trade growth would increase only slightly, from 2.8 per cent in 2014 to 3.3 per cent in 2015 and 4 per cent in 2016, below the annual growth averages of 5.1 per cent since 1900 and 6 per cent before the economic and financial crisis.

91. Despite policy-makers' efforts to encourage growth through interest rate cuts, fiscal measures and quantitative easing, the potential of trade to stimulate demand had not been exploited. In the context of the post-2015 development agenda and the sustainable development goals, Governments could maximize the benefits of trade by withdrawing protectionist measures, improving market access, avoiding the distortion of competition and reforming global trade rules. Trade should not be understood merely in terms of liberalization but should be recognized as a development policy instrument.

92. The WTO rules governing global trade had proved their worth in the context of the MDGs as a basis for economic growth and a buttress against protectionism, particularly during crises, and should continue to play that role after 2015. The WTO Agreement on Trade Facilitation, currently being ratified by States, would smooth world trade flows and cut transaction costs, particularly in developing countries. Once implemented, it would generate $1 trillion per year and create 21 million jobs, mostly in developing countries.

93. The implementation of the Bali Package and the conclusion of the Doha Round would support the achievement of the sustainable development goals. WTO members had undertaken to remove all obstacles to the Doha negotiations, which had been stalled for some years, with a view to delivering an outcome at the 10th WTO Ministerial Conference, to be held in Nairobi in December 2015.

94. WTO could also support the United Nations through the Aid for Trade initiative and the enhanced integrated framework for trade-related assistance for least developed countries. The Fifth Global Review of Aid for Trade would be held in June and July 2015 under the theme "Reducing trade costs for inclusive, sustainable growth". High trade costs impeded the integration of developing countries, in particular least developed countries and landlocked developing countries, and must be reduced to improve regional integration and achieve the sustainable growth required under the post-2015 agenda. The most recent figures related to Aid for Trade flows showed that commitments to landlocked developing countries had increased from $7.2 billion in 2011 to $8.8 billion in 2012.

95. Statistics had shown that 80 per cent of global trade was underpinned by financing or credit insurance, but in many countries the financial sector could not support trade, and access to the international financial system was limited. The situation had worsened since the financial crisis, as global financial institutions had withdrawn from least developed countries and had only partly been replaced by local and regional banks. The African Development Bank estimated that requests for $130 billion of trade financing had been rejected in 2014, the equivalent of one third of the African trade finance market. In Asia,

requests for $800 billion had been rejected in 2014, with no alternative financing available. The rejection rate was 7 per cent for multinational firms but 85 per cent for small and medium-sized enterprises. Financing gaps were greatest in the poorest countries. In April 2015, WTO had pledged to put trade finance on the agenda of the third International Conference on Financing for Development to ensure that the issue had its proper place in the development debate.

96. WTO was making every effort to ensure that developing countries were integrated into the global trading system. The Council and the high-level political forum held under its auspices should ensure that trade had a central role in the post-2015 process and that the sustainable development goals promoted global policy coherence.

The meeting rose at 1.05 p.m.

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Special high-level meeting with the World Bank, the International Monetary Fund, the World Trade Organization and the United Nations Conference on Trade and Development

Summary record of the 26th meeting
Held at Headquarters, New York, on Monday, 20 April 2015, at 3 p.m.

President: Mr. Drobnjak (Vice-President) ..... (Croatia)
later: Mr. Oh Joon (Vice-President) ..... (Republic of Korea)

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Thematic debate on theme 3: "Renewed global partnership for development in the context of the post-2015 development agenda"

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In the absence of Mr. Sajdik (Austria), Mr. Drobnjak (Croatia), Vice-President, took the Chair.

The meeting was called to order at 3.05 p.m.

Coherence, coordination and cooperation in the context of financing for sustainable development and the post-2015 development agenda (E/2015/52) (*continued*)

Thematic debate on theme 2: "Current challenges and emerging opportunities for the mobilization of financial resources and their effective use for sustainable development on the road to Addis Ababa"

Statements by panellists

1. **Ms. Ploumen** (Minister for Foreign Trade and Development Cooperation of the Netherlands) said that ahead of the third International Conference on Financing for Development, to be held in Addis Ababa in July 2015, it would be necessary to emphasize that official development assistance (ODA) remained crucial for least developed countries, small island developing States and fragile and conflict-affected States. Existing commitments should be reaffirmed and ODA should be targeted at people in greatest need. The capacity of national taxation administrations to mobilize domestic resources should be enhanced through increased bilateral and multilateral support.

2. As an example, her country's taxation authority was working with Tax Inspectors Without Borders in that area. Anti-abuse measures should also be included in all new bilateral tax treaties, and existing treaties should be revised. The Netherlands had begun revising 23 tax treaties with developing countries and had recently signed a revised treaty with Malawi. The base erosion and profit shifting dialogue should become more inclusive and bring all stakeholders to the table, in support of international cooperation on tax avoidance. All sustainable development resources, including the vast amount of private funding available globally, should be deployed. Innovative financing should make it possible to leverage additional private resources and to improve the effectiveness of collective efforts.

3. Access to finance by small and medium-sized enterprises should be promoted. There should be more and better multi-stakeholder partnerships among public and private sector foundations and grassroots organizations. She hoped that the discussion would lead to tangible initiatives that showcased the international commitment to leave no one behind.

4. **Mr. Talbot** (Permanent Representative of Guyana to the United Nations), speaking also as co-facilitator of the preparatory process for the third International Conference on Financing for Development, said that at the United Nations Conference on Sustainable Development, held in 2012, the international community had established sustainability as the defining paradigm of the future and had expressed its aspirations for sustainable development goals that were of universal applicability, albeit in the context of differentiated realities. The Addis Ababa conference would have to address a number of challenges: adjusting cooperation to that reality by finding ways to secure a commitment from all parties to deliver on the ambitious new development agenda; determining what policy changes and what level and methods of financing mobilization would be required to deal with the increasingly complex set of goals set forth in that agenda; and defining the level and quality of the response that would be required from national Governments, the private sector, civil society and other actors.

5. With regard to the level of ambition to be reflected in the outcome of the conference, the co-facilitators of the preparatory process had proposed that specific initiatives and interventions in the areas of infrastructure, health, education, human resources, small enterprises and development should be identified as critical deliverables. While the template remained wide open for other initiatives, steps taken in those areas could have cross-cutting relevance and impact.

6. The recognition in many quarters, including at the recent meetings of the multilateral development banks, the International Monetary Fund and other institutions, that the ambitious agenda would require an ambitious response was heartening and attested to the need for a new level of mobilization of national and international action and for concerted international efforts.

7. **Mr. Pedersen** (Permanent Representative of Norway to the United Nations), speaking also as co-facilitator of the preparatory process for the third International Conference on Financing for Development, said that the collective goal at hand, namely, to eradicate poverty and hunger equitably in

order to achieve sustainable growth in a manner that would not contribute to climate change, had yet to be achieved. The enormously ambitious development agenda could not be implemented by reverting to business as usual. Fresh new ideas would be needed, as would cross-cutting initiatives and synergies, with an eye towards sustainability. To that end, some sacrifices would be required. ODA would have to be strengthened and increased, and domestic resource mobilization and tax increases would be of the essence.

8. All parties, including the private sector, would have to change the way in which they conducted business. Moreover, the new agenda could only be achieved with the active participation of the private sector and in an enabling environment that would facilitate cooperation on tax matters and make it possible to fight illicit capital flows and enhance the efficiency of taxation systems. With the cooperation of all stakeholders, the international community could look forward to a successful conference and to a real hope of eradicating poverty and hunger.

9. **Mr. Kituyi** (Secretary-General, United Nations Conference on Trade and Development (UNCTAD)) said that in 1994, China had been confronted with a poverty challenge similar to that faced by the least developing countries twenty years later; with per capita growth of 9.4 per cent per year over 15 years, the poverty rate in China had declined from 46 per cent of the population to 12 per cent. In order to eliminate extreme poverty by 2030, the least developed economies would therefore have to grow at a higher rate than that posted by China. Rising to that formidable challenge in order to achieve the ambitious new agenda would require the international community to enhance its efforts to mobilize external public and private finance and leverage existing ODA. Recalling the holistic nature of the Monterrey Consensus of the International Conference on Financing for Development and building on it would contribute to a comprehensive and forward-looking Addis Ababa agreement. It would also be necessary to stress the interlinkages among the various financing options.

10. UNCTAD advocated an integrated approach to trade and investment. Its understanding of how economic development enabled the achievement of social objectives and environmental sustainability hinged on the mutually dependent nature of financial and non-financial means of implementation. In that regard, financing for development involved not only attending to aid, taxes and the private sector, but also to systemic issues, capacity-buildin technology and innovation, and updating the overall approach to trade and investment in the development landscape. He was concerned that the current discussions on financing for development treated international trade in relative isolation from development.

11. At the third International Conference on Financing for Development, the crucial role of trade and investment in raising domestic resources and improving tax revenues should be recognized. Trade and investment transformed the structure of poor economies and could provide livelihoods to the impoverished, allowing them to contribute to ambitious development goals. The Addis Ababa agreement should highlight the role of trade in national development strategies. Financing for development required support for such capacity-building activities as trade facilitation and improving the collection of trade-related revenues. Trade taxation — one of the most efficient ways for developing countries to raise revenue — accounted for one quarter of government revenue in many African economies. Improving efficiency in customs revenue collection could also help least developed countries improve their competitiveness by substantially reducing transaction time and costs.

12. The capacities that countries built through trade were precisely the same capacities that allowed for strong mobilization of domestic resources and facilitated entrepreneurship. The sustainable growth of international investment should be taken into account in discussions on financing for development, with trade and investment agreements informing the process leading up to the conference. The important interlinkages between trade, which was discussed a great deal, and investment, which was perhaps more important than trade but was not discussed enough, must be recognized.

13. **Mr. Wu** Hongbo (Under-Secretary-General for Economic and Social Affairs and Secretary-General of the third International Conference on Financing for Development) said that the third International Conference on Financing for Development presented a unique opportunity to adopt a strong financial framework for sustainable development and provide means of implementation for the post-2015 agenda. The conference had been the focus of the spring meetings of the World Bank Group and the

International Monetary Fund, where the Secretary-General of the United Nations had taken the lead in mobilizing the support of ministers of finance and the principals of multilateral development banks for the financing for development agenda.

14. Regional consultations held over the previous two months had emphasized the importance of domestic resource mobilization and the need for reform at the national and international levels, to combat illicit financial flows and curtail tax avoidance and evasion. Strong calls had been made on donors to meet their commitment to allocate 0.7 per cent of their gross national income to ODA, and other calls had been made for more even ambitious ODA targets.

15. With regard to the private sector, the difficulties preventing private finance and investment from becoming sustainable had been discussed. In addition, the role of migrant communities in mobilizing domestic and international private resources had been considered; their participation was not limited to remittances but could also include foreign direct investment, philanthropic finance and the promotion of bilateral trade and technology transfer. The need for further reform of the international financial architecture, in particular, increased participation by developing countries in decision-making in global economic governance, had also been underscored. As the Secretary-General of the forthcoming conference, he would make every effort to ensure its success.

Interactive dialogue

16. **Mr. Grant** (Observer for Canada) said that, in order to finance the ambitious new agenda, ODA should be utilized to mobilize private sector resources for investments that delivered real development results. To that end, Canada had been cooperating with various international institutions and intergovernmental entities on an initiative to redesign development finance. Its aim was to identify, test and scale up public-private blended finance models in a systematic way. Under the initiative, Canada had been working to develop a global finance exchange that would serve as a marketplace, a knowledge broker and an accelerator for innovative development finance models. The new platform would harness the skills, expertise and resources of the public, private and non-profit sectors to mobilize investment, forge new partnerships and help the world's neediest people.

17. **Mr. Marobe** (South Africa), speaking on behalf of the Group of 77 and China, said that in pursuit of both the Millennium Development Goals and the post-2015 development agenda, developing countries would continue to require ODA. The new agenda should be built on the unfinished business of the Millennium Development Goals, while also making it possible to sustainably improve the lives and circumstances of people who continued to be marginalized and to live in abject poverty. To that end, a strengthened and scaled-up global partnership for development was critical in the formulation and delivery of the post-2015 development agenda.

18. The means of implementation remained vital to the success of the new agenda. Technology transfer and development leading to the establishment of a technology mechanism in the context of the agenda were an integral part of the means of implementation. Regarding the third International Conference on Financing for Development, the Group had reiterated the need for the international community to support an enabling domestic environment, create an enabling international environment and support developing countries in their development efforts.

19. Given the special importance of finding a timely, effective, fair, comprehensive and lasting solution to the debt problems of developing countries, the Group called for the enhancement of international financial mechanisms for crisis prevention and resolution in order to prevent debt crises. The lack of a structured fallback mechanism reflected the deficiency in the current international financial architecture. In that connection, he reaffirmed the roles of the United Nations and the international financial institutions and encouraged them to continue to support global sustainable development efforts and to find a lasting solution to the debt problem of developing countries.

20. He encouraged all Member States, in particular those that were also members of the Organization for Economic Cooperation and Development, and the international financial institutions to participate in the forthcoming sessions of the ad hoc committee established by the General Assembly to elaborate a multilateral legal framework for sovereign debt restructuring processes. The expertise of the International Monetary Fund and the World Bank in the area of sovereign debt restructuring would greatly contribute to the work of the ad hoc committee. Lastly, international trade was an engine for development and

sustained economic growth. It was therefore crucial to advance a more development-friendly, universal, rules-based, predictable, more inclusive, open, non-discriminatory and equitable multilateral trading system.

21. **Mr. Thier** (United States of America) said that it was incumbent on the international community to support financing for development, given that effectively mobilized and transparently and effectively budgeted resources would be the primary source of funding for the next 15 years. In that connection, taxation was important, both domestically as a political issue and internationally as a development issue. His Government worked a great deal to support other Governments and societies in mobilizing domestic resources. Many countries faced difficulties in terms of tax policy and the capacity to raise and spend revenues and enforce tax legislation, and combat corruption and tax evasion. In that regard, the United States was working through the Group of 7 and the Group of 20 to ensure that rules on taxation and international cooperation were robust and fair.

22. Effective and transparent budgeting was the foundation of the social contract and the drivers of citizen buy-in and government accountability. There was an enormous opportunity for investment among donor countries in partnership with recipient countries to increase the capacity of tax regimes to raise revenues. Building and strengthening international cooperation on the transfer of information was also vital. In closing, the Monterrey Consensus should be regarded as a solid basis for the financing of the sustainable development goals.

23. **Mr. Qureshi** (Observer for the World Bank), speaking on behalf of the Executive Director for Saudi Arabia of the World Bank, said that development finance and climate finance were two separate tracks governed by separate frameworks. As such, they could not be mixed and must be accounted for separately. While countries were free to take any action on carbon pricing that suited their national circumstances, global agreement had not been reached on the issue and would not be reached for some time. No one knew how to calculate the ideal carbon price, and both the price and the stock of carbon must be taken into account in order to respect the principle of common but differentiated responsibilities. Moreover, as fossil fuel subsidies had already declined considerably because of the sharp drop in oil prices, the focus moving forward should be on improved targeting of energy subsidies, given that affordability was a key element of the Energy for All initiative. Lastly, since subsidies in various sectors had the same fiscal impact, it would be necessary to look beyond energy sector subsidies when attempting to expand the fiscal space available to Governments.

24. **Mr. Ulin** (Russian Federation) said that his delegation was participating constructively in the negotiations on the outcome document of the third International Conference on Financing for Development. The outcome should be based on the fundamental agreements enshrined in the Monterrey Consensus and the Doha Declaration on Financing for Development. Efforts by the private sector to play a more active role in financing for development, including in achieving the sustainable development goals, should be taken into account. At the same time, private sector resources could only be considered complementary to ODA, and private sector participation must be in accordance with the rules of corporate social responsibility.

25. Trade was also a crucial instrument to ensure economic growth and job creation. The Russian Federation supported efforts to create a just and balanced international trade system based on the equal adherence by all participants to the decisions of intergovernmental bodies. It also endorsed the implementation of the outcomes of the World Trade Organization ministerial conference held in 2013 on simplifying trade conditions and seeking global added value chains. The needs of countries in special situations must be taken into account in the post-2015 agenda. In that connection, his delegation stressed the importance of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 and the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, and called for the elimination of excessive barriers to investment and trade, the establishment of long-term investment partnerships, and the synchronization of government efforts to regulate the economy.

26. Lastly, the outcome of the forthcoming conference must fully reflect the principle of common but differentiated responsibilities and not infringe on the sovereign right of States to adopt financial and economic policies in accordance with their priorities and development strategies.

27. **Ms. Samuels** (Observer for Global Clearinghouse) said that her organization and others in the private sector were highly sceptical of the solutions being put forward by the development community with regard to financing for development. Many funds, risk mitigation instruments and project development facilities were currently underutilized and calls for change in the private sector were unrealistic, given that public sector regulations and judicial responsibilities guided the private sector's activities. Mobilizing the private sector — which increasingly meant foundations — called for a project-centric approach built around a separate legal entity whose leaders would be required to deliver results that met the needs of shareholders. It would also require a shift in thinking about development aid, to ensure that such projects were part of a sustainable plan. In addition to financing, private sector expertise and technology were needed to develop that plan, structure projects, mitigate risk and maximize access to capital. It was also important to create real, effective project-based tracking metrics that could be used to assess the sustainability and bankability of those projects. Workable models already existed, but needed to be scaled up.

28. The terms used in the zero document of the outcome of the Addis Ababa conference should be clarified. The segment dealing with blended finance, for example, should include other public finance instruments, such as special-purpose vehicles, which were the primary conduits for mobilizing capital. There had been much talk of localizing capacity-building, but that too must be project-based and could only be achieved through cooperation between the public and the private sectors.

29. **Mr. Prato** (Observer for Society for International Development), speaking on behalf of many civil society organizations and networks that were actively engaged in the financing for development process, said that there had been a timid attempt to shift the centre of gravity of development from under the umbrella of the United Nations. There had been some positive developments in that regard, such as the call for an intergovernmental tax body, but the lack of unambiguous assertiveness with regard to the multilateral framework for sovereign debt restructuring was not encouraging. Furthermore, the absence of clear policies to shield the public policy space from conflicts of interest might undermine the primary responsibility towards rights holders in multi-stakeholder partnerships.

30. International financial institutions and multilateral development banks should be held to high standards of governance, transparency and accountability, and should adopt appropriate social and environmental protection policies. The reference to trade as an instrument of sustainable development was welcome, but it was unsupported by evidence. Beyond the opportunity to find a permanent solution to food insecurity in the forthcoming negotiations, there was a need for a mandatory review of multilateral and bilateral trade and investment agreements, an assessment of the gender, human rights and environmental impacts of trade and investment policies, and a review of investor-State dispute settlement mechanisms. An unjustified belief in the private sector, increased catalytic use of official development assistance, and the disproportionate importance accorded to blended finance were other causes for concern.

31. Without a reorientation of the business model through binding frameworks rather than voluntary guidelines, the use of public finance to support private sector investments would lead to a redistribution of public resources in favour of private interests, and the socialization of risk to promote the privatization of wealth for a select group. Similarly, there was evidence that the promotion of public-private partnerships in large-scale infrastructure projects that did not contribute to the socioeconomic transformation of developing countries changed the nature of public service and exacerbated fiscal problems. Such projects often proved less efficient and more costly than claimed.

32. The follow-up to the third United Nations Conference on Financing for Development should be an intergovernmental process, with mechanisms for participation by civil society, in order to transform an event-centred approach into an ongoing normative process. The level of political commitment needed for that purpose was higher than the level that could be achieved with three months of preparation.

33. **Mr. Egli** (Switzerland) said that a renewed global partnership should include mechanisms that enabled the participation of all actors within and outside the United Nations, including major institutional stakeholders, multilateral development banks, the

Organization for Economic Cooperation and Development, civil society and the private sector. That multi-stakeholder approach would also be important for monitoring and reviewing the post-2015 development agenda. In particular, multilateral development banks had a key role in promoting knowledge-sharing, leveraging financial resources and building capacity, as well as in blended finance, which mitigated risk and could help to unlock capital flows that were currently constrained by risk. Those banks had the knowledge, instruments and financial potential to engage with the private sector and assist in transforming development finance.

34. **Mr. Mahmood** (Observer for the International Labour Organization) said that growth was needed to reduce poverty, and that growth could not be achieved without jobs, because some two thirds of the world's poor were dependent on self-employment and wage employment, and another quarter were dependent on transfer incomes. Three or four jobs targets should therefore be included in the sustainable development goals. The jobs challenge required the creation of some 40 million jobs every year. When the poor were not covered by social protection in developing countries, they would accept any job with low wages and bad working conditions. Although the percentage of workers earning less than $1.25 a day had dropped from 50 per cent to 20 per cent in the previous two decades, the economic crisis had halted the reduction in the numbers of the working poor. A further challenge was that of vulnerability, defined by the United Nations and the International Conference of Labour Statisticians as the condition of the self-employed and non-remunerated. It also came with a gender dimension, since women were disproportionately highly represented among the non-remunerated. Similarly, the ratio of dependants to non-dependants was high in developing countries, on the basis of both within-household income and across-household income.

35. **Ms. Ploumen** (Minister for Foreign Trade and Development Cooperation of the Netherlands), referring to the case of a Ugandan mother wondering what she, her Government, other organizations and the Council could do to help her send her daughter to school, to provide decent roads for her daughter to be able to ride her bicycle to school, and to ensure that the schools had inspired teachers, said that the Addis Ababa conference was about international solidarity that would enable that mother to achieve her goals.

36. **Mr. Talbot** (Permanent Representative of Guyana to the United Nations) said that the discussions on financing for development had touched on the importance of investments and jobs, which in turn illustrated the importance of a holistic approach to the topic. The expression of scepticism by the private sector was a reality check, suggesting that a meaningful partnership should be built involving all actors. Such reality checks would ensure that the financing for development process was anchored in a solid assessment of the possibilities of real partnership.

37. **Mr. Pedersen** (Permanent Representative of Norway to the United Nations) said that economic growth must be sustainable and create jobs; otherwise, it would not be possible to eradicate poverty and hunger. The deliverables of the third United Nations Conference on Financing for Development could include achievements concerning infrastructure, energy, agriculture, social protection, small and medium-sized enterprises, and international tax cooperation.

38. **Mr. Kituyi** (Secretary-General, United Nations Conference on Trade and Development) said that the spring meetings of the International Monetary Fund and the World Bank Group had shown a greater awareness of and engagement in financing for development. One lesson learned from the experience of the Millennium Development Goals was that the best way to address poverty was to create livelihoods. Sustainable job creation should be at the heart of the sustainable development agenda, and financing for development should lead to the structural transformation that would allow people to move from low-return to high-yield activities, and ultimately move up the global value chain.

39. **Mr. Wu** Hongbo (Under-Secretary-General for Economic and Social Affairs and Secretary-General of the third International Conference on Financing for Development) said that many ministries and departments in national Governments worked in silos and did not communicate with one another. A change in mindset was therefore needed if the sustainable development agenda and policy recommendations for financing for development were to be implemented. The Addis Ababa conference would be different because of the strong sense of collective ownership of

the goals and targets exhibited by 193 Governments, which would then incorporate them into their development strategies.

40. Official development assistance (ODA) would remain important, especially for least developed countries, but it was shrinking in comparison with the vast resources needed for the sustainable development agenda. It would nevertheless help to strengthen confidence and build trust in international partnerships. Developing countries also needed technology facilitation to make real progress in sustainable development. It was his understanding, based on the information coming out of the spring meetings of the World Bank and the International Monetary Fund, that the multilateral development banks were on board and would do their utmost to support the sustainable development agenda.

41. ***Mr. Oh*** *Joon (Republic of Korea), Vice-President, took the Chair.*

Thematic debate on theme 3: "Renewed global partnership for development in the context of the post-2015 development agenda"

42. **Mr. de Villeroché** (Co-Dean of the Executive Board, Executive Director, World Bank Group) said that the Council and the World Bank Group had a common vision in which development would be financed through a combination of sources, including ODA, domestic resource mobilization and private sector flows. The challenge was to find innovative and smart solutions for translating that vision into reality over the coming 15 years.

43. The document entitled "From Billions to Trillions: Transforming Development Finance — Post-2015 Financing for Development: Multilateral Development Finance", prepared jointly by the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, and the World Bank Group", provided a comprehensive and convincing solution for financing the development agenda. The new paradigm involved catalysing and leveraging public and private sources of financing and mobilizing domestic resources. It was often frustrating that the domestic resources of the poorest countries could not be put to better use. Sustainable economic policies should therefore be adopted to enable those resources to be leveraged and to allow for input from the private sector.

44. Other issues addressed in the document included migrant remittances, the need to attract foreign direct investment, and the need for more efficient tax systems. Those challenges were linked to other challenges, such as climate change, world financial stability and public health, which required coordinated action in Addis Ababa and beyond.

45. **Mr. Valle Pereña** (Executive Director, Mexican Agency for International Development Cooperation) said that, from his country's perspective as a developing country, the former paradigm driven by the donor-recipient dichotomy would have to be abandoned in the more ambitious sustainable development agenda. The period from 2015 to 2030 should be the era of partnerships, with clear a clear indication of the benefits, commitments and responsibilities of each partner. Some middle-income countries such as Mexico would play a larger role and act as important partners for other developing countries by sharing public policies that had proven to be successful.

46. Civil society had not only reminded the Council of its responsibilities and areas of opportunity but also helped to implement development projects. Meanwhile, the private sector was moving beyond the mobilization of financial resources to form partnerships through foundations and other social responsibility mechanisms which would result in an adaptation of their core operations, including their supply chains and accounting systems. All of those actors should not work in isolation, because, no matter how many financial resources were available, fragmented interventions would not achieve the desired development results.

47. Past experience with triangular cooperation had shown that those partnerships achieved more than anything individual actors could achieve on their own. However, good will alone was insufficient; partners also needed to be politically and technically ready. Without political support, the global partnership would become a platitude, and without technical readiness, it would fail and might even do some harm. South-South cooperation needed to become more successful in future, in particular through the recognition that partners in the South faced specific challenges that traditional donors did not face. One important factor

was monitoring, and that required data collection. Creative approaches were therefore needed to improve technological capacity and accelerate the generation and dissemination of data for decision makers, practitioners and researchers in the area of South-South cooperation.

48. His Agency had, for example, worked successfully with the United Nations Development Programme in Central America on tracking the implementation of the Millennium Development Goals using a tool developed in Mexico. It had also worked on multidimensional poverty measurement in various parts of the world, in particular Africa. Quality data that could be translated into reliable information was important not just for South-South cooperation but also for other processes, including the post-2015 development agenda. The Global Partnership for Effective Development Cooperation could act as a platform on which to build a community of practice where demand could meet supply, with tangible effects on development cooperation and implementation.

49. **Mr. Martínez-Solimán** (Assistant Administrator and Director of the Bureau for Policy and Programme Support, United Nations Development Programme) said that the international community was on the verge of agreeing to an ambitious and transformative post-2015 sustainable development agenda that would require structural transformations at all income levels to ensure that prosperity was shared and the planet's natural limits were respected. The third United Nations Conference on Financing for Development was an opportunity to agree on a financing framework that was as ambitious as the agenda itself. That framework would have to be comprehensive, with concrete deliverables and a strong follow-up process.

50. In the Millennium Development Goals era, financing was often perceived as the addition of resources, such as domestic resources, foreign direct investment and remittances, with the gaps being filled by official development assistance. In the new agenda, gap-filling would be insufficient and large financial flows would have to be mobilized instead. However, official development assistance would remain critical, especially for least developed countries. The Addis Ababa conference was therefore an opportunity for donors to reaffirm their long-standing commitments and set a timetable for meeting their targets.

51. The post-2015 development agenda went far beyond aid. There was a need to consider other sources of international public finance for investment in disease control, climate change adaptation and mitigation, scientific innovation and new technologies. There should be incentives to ensure that private investment decisions advanced sustainable development. In future, private sector activities and outcomes should contribute directly to the sustainable development goals in ways that went beyond corporate social responsibility and philanthropy. The United Nations Development Programme and the World Bank Group were developing an inclusive business framework with the support of the International Labour Organization and the Organization for Economic Cooperation and Development to that end.

52. The concept of financing for development should take into account the new normal of frequent shocks and volatility. The cost of shocks such as economic crises, disasters, conflicts and disease outbreaks was high and increasing. Nations and communities therefore needed to build resilience so that such shocks did not hamper development and wash away hard-earned gains.

53. **Ms. Killen** (Development Cooperation Directorate, Organization for Economic Cooperation and Development) said that the post-2015 sustainable development agenda presented immense challenges that could be met only through effective global partnerships. The Organization for Economic Cooperation and Development (OECD) had a dual role: it had to hold its members to account for their development commitments, and it had to facilitate multi-stakeholder partnerships among its members, low- and middle-income countries, the private sector and civil society. OECD had worked with the United Nations to support the Global Partnership for Effective Development Cooperation, an inclusive, multi-stakeholder forum that maximized the impact of development partnerships through developing country-led processes. OECD hosted other international policy platforms on taxation, investment, illicit financial flows, green growth, gender equality and conflict as a means of sharing best practices, enhancing mutual accountability and engaging a range of partners on an equal footing.

54. The peer review mechanism was another instrument used by OECD to hold its members accountable for their commitments and it had been

adapted to fit the needs of various groupings, such as the Pacific Islands Forum, the African Peer Review Mechanism, the European Union and the United Nations. OECD also had a track record of maximizing global synergies by using evidence and data from existing sources, and driving investment in more data, better technology and greater accessibility. The international community should build on OECD-hosted initiatives such as the Partnership in Statistics for Development in the 21st Century, which was committed to evidence-based decision-making and better use of statistics through strengthened national statistical systems. High-level leadership; country-led and context-specific partnerships; agreed principles, targets, plans and enforcement mechanisms; and a focus on results were the keys to the success of global partnerships for development cooperation. OECD stood ready to share its tools, know-how and policy platforms in support of a more sustainable future.

Interactive dialogue

55. **Ms. Ibrahimova** (Observer for Azerbaijan) said that the post-2015 development agenda would require a global partnership, including resources to meet long-term challenges and an increase in official development assistance. As an emerging donor country, Azerbaijan was motivated by the need for domestic and regional peace. The country was landlocked and constrained by the continuing Armenian occupation of a part of its territory. Failure by Armenia to comply with Security Council resolutions affected its ability to mobilize domestic resources to meet domestic and international needs. Emerging donor countries, such as Azerbaijan, had the potential to work together to supplement the shortfall in official development assistance. The establishment of a truly global partnership would thus help to effectively finance the sustainable development goals.

56. **Ms. Simonyan** (Observer for Armenia) said that her delegation was concerned at the misuse of the Economic and Social Council to promote a narrow political agenda, and urged all delegations to refrain from raising the subject of conflicts that were under international mediation. In particular, she urged the delegation of Azerbaijan to refrain from such counter-productive practices in international forums, and instead to engage actively, productively and constructively in the negotiations convened for that purpose. In point of fact, Armenia had been subjected to an illegal blockade that impeded its sustainable development. Her delegation called on Turkey to take meaningful steps to bring an end to the blockade without preconditions, and to restore trade and transport links.

57. **The President** requested all delegations to keep to the topic under discussion.

58. **Mr.** Eric Jean-Marie **Zinsou** (Benin) said that the new sustainable development framework should be based on an accurate assessment of the challenges and needs of least developed countries and include quantifiable standards. Least developed countries would then be able to mobilize internal resources and allocate them to sustainable investments. Those countries needed to increase their tax base, broaden the scope of their economic activities and double their share in global exports. In so doing, they could create decent work and reap a demographic dividend. However, in view of the countries' limited financial resources, such efforts would require official development assistance, which could fulfil a catalytic role and attract private investment. The poorest countries also needed guarantees for small and medium enterprises and industries. International financial institutions should therefore review their approach to debt sustainability in order to take into account the importance of official development assistance, improve access to credit, fully integrate a new paradigm of sustainable development and improve the coordination of global governance.

59. **Mr. Pokharel** (Nepal) said that if least developed countries were required to garner internal resources to work towards the sustainable development goals, they would need to raise carbon and fuel taxes and remove subsidies. Such measures could raise the cost of development and deprive the countries of the infrastructure connectivity that they needed in order to sustain their achievements and maintain their competitive edge. Moreover, although such countries as Nepal made only a negligible contribution to climate change, they were among its greatest victims: the melting of glaciers had damaged farmland and affected livelihoods. The countries responsible for carbon emissions should help to mitigate those problems. In so doing, they would not so much provide assistance as make an investment in preserving the Earth and tackle a problem that they had themselves created.

60. Owing to the large number of proposed sustainable development indicators, there was a risk that countries could spread their efforts too thinly. The third International Conference on Financing for Development should explore ways to consolidate

outputs and enable stakeholders to focus on the bigger picture.

61. **Ms. Paramundayil** (Observer for the Society of Catholic Medical Missionaries) said that while some people lived in poverty, others had accumulated outrageous wealth, often through tax evasion and illicit cash flows. The world had the resources and expertise to eradicate hunger, provided that they were allocated appropriately. A renewed international partnership was therefore needed. The international financial institutions should be reformed and made more transparent, fair and representative of developing countries. The privatization of profits and socialization of losses must stop, and the gender gap must be bridged. A new tax framework focused on human rights should be developed. In all of those efforts, the needs of the planet should be paramount.

62. **Mr. Mitra** (Bangladesh) said that the sustainable development goals were a matter of critical importance for his country, which stood to lose one third of its landmass if the sea level rose any further. However, the situation was unlikely to change unless the sustainable development goals were backed by additional resources. Tax reform and innovative financing, for example, could help to fund growth and create decent jobs.

63. **Mr. Eun** Sung-soo (Observer for the World Bank) said that an increased awareness of the issues at stake at the third International Conference on Financing for Development had been in evidence at the 2015 spring meetings of the World Bank Group and the International Monetary Fund. Nevertheless, the issue of sustainable development often did not receive due attention, perhaps because the target date of 2030 appeared to be far in the future. The challenge lay in finding ways to engage with civil society and young people, and to highlight the critical nature of the issue.

64. **Mr. de Villeroché** (Executive Director, World Bank) said that the World Bank Group was in the process of reforming. It had already become more flexible and cost-effective, increased its leverage capacity, and was strengthening its expertise by building on global practices covering all aspects of development. It had made flexible use of the International Development Association to confront emergency situations, particularly the spread of the Ebola virus. The International Finance Corporation, which encouraged private sector investment in developing countries, was also reforming and directing more and more funding to low-income countries. The World Bank Group as a whole was greening its portfolio and providing loans to mitigate climate change and curb carbon emissions.

65. **Mr. Valle Pereña** (Executive Director, Mexican Agency for International Development Cooperation) said that it was important for all stakeholders to work together in a common framework, interact smoothly and foster domestic leadership and ownership. Procedures should be in place to measure national progress accurately, and accountability was paramount for all parties.

66. **Mr. Martínez-Soliman** (Assistant Administrator and Director of the Bureau for Policy and Programme Support of the United Nations Development Programme of the United Nations Development Programme) said that developing a human rights framework for international finance for development would be vital in order to uphold the right to education, health, food, development, freedom of participation, inclusion and peace. Emerging donors had an important role to play in financing for development. New actors were appearing, including the Green Climate Fund and new development banks. Yet, although development assistance was growing, it was not always directed in the ideal way. In addition to finding new sources of revenue, it was therefore vital to make the most effective use of existing resources.

67. **Ms. Killen** (Deputy-Director of the Development Cooperation Directorate, Organization for Economic Cooperation and Development) said that the Organization for Economic Cooperation and Development (OECD) was committed to reporting on the actions taken and holding its members to account. Over the previous year, aid levels had been maintained, but there was some concern at the reduction in aid flows to the poorest countries. OECD would continue working with partners to ensure that countries could access the right financing at the right time and in the right way.

68. She was pleased that the issue of aid quality had also been raised. Stakeholders should continue discussing that issue, concentrate on hard data and hold one another to account through formal and informal mechanisms. Lastly, OECD had a number of tools that could be used to help curb illicit financial flows and tax evasion and to ensure that all available resources were put to optimal use.

The meeting rose at 5.30 p.m.